

COMMISSION RECOMMENDATION #101

CSG #101

AGEB #38

The LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.

NARRATIVE:

At the November 4, 2009, meeting of the Advisory Group on Efficiency and Benchmarking, Mr. John Kennedy provided information concerning the Charity Hospital System. Mr. Kennedy stated that charity hospitals in Louisiana have a dual mission: to provide training sites for physician residents and to provide medical care for the uninsured. Most teaching hospitals utilize Medicare funds to finance graduate medical education programs. Medicare reimburses teaching hospitals for a share of their costs associated with the training of medical residents who treat Medicare patients. Few Medicare patients seek care in Louisiana's charity hospitals; therefore, all of the three Louisiana medical schools whose residents train in these hospitals forfeit a portion of their federal funding for Medicare-funded graduate medical education that is widely accessed at other schools around the nation. According to the Public Affairs Research Council, \$160,000,000 in additional Medicare payments annually is left untapped in Louisiana because of the limited Medicare patient population at charity hospitals. Affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training would provide significant additional dollars for training Louisiana State University and Tulane medical residents. Mr. Kennedy read the proposed recommendation for the record and there being no objection, the recommendation was approved. (Advisory Group on Efficiency and Benchmarking Minutes, 11/4/2009)

The recommendation was considered at the Commission on Streamlining Government meeting on November 17, 2009. Mr. Kennedy explained the recommendation to the commission. The Department of Health and Hospitals, represented by Mr. Charles Castille, provided testimony as to how graduate medical education was financed currently in the state. Mr. Donahue stated that this recommendation would create approximately \$160,000,000 in savings. The recommendation was adopted without objection. (Commission on Streamlining Government Meeting, 11/17/2009)

HISTORY:

- 11/17/09 - Adopted by the Commission on Streamlining Government
- 11/12/09 - Reported confirmed by the Advisory Group on Efficiency and Benchmarking
- 11/10/09 - Received by the Commission on Streamlining Government
- 11/4/09 - Adopted by the Advisory Group on Efficiency and Benchmarking

DOCUMENTS:

See attachments

ADVISORY GROUP ON Efficiency and Benchmarking PROPOSAL #: ACGB # 38

SUBJECT: LSU Hospital System/Medicare GME DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 101

RECOMMENDATION: The LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.	LSU Board of Supervisors	To maximize the utilization of Medicaid Graduate Medical Education dollars and train more medical residents.	Legislation; Cooperative Endeavor Agreements		

ADVISORY GROUP ON Efficiency and Benchmarking PROPOSAL #: ACGB # 38

SUBJECT: LSU Hospital System/Medicare GME DATE ADOPTED BY ADVISORY GROUP: 11-4-09

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: The LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.	LSU Board of Supervisors	To maximize the utilization of Medicaid Graduate Medical Education dollars and train more medical residents.	Legislation; Cooperative Endeavor Agreements		

Charity Hospitals in Louisiana have a dual mission: to provide training sites for physician residents and to provide medical care for the uninsured. Most United States teaching hospitals utilize Medicare funds to finance graduate medical education (GME) programs. (Medicare reimburses teaching hospitals for a share of their costs associated with the training of medical residents who treat Medicare patients.) Because so few Medicare patients seek care in Louisiana's Charity Hospitals, all of the three Louisiana medical schools whose residents train in these hospitals forfeit a portion of federal funding for Medicare-funded graduate medical education that is widely accessed at other schools around the nation. According to the Public Affairs Research Council, \$160 million in additional Medicare payments annually is left untapped in Louisiana because of the limited Medicare patient population at Charity Hospitals. Affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training would provide significant additional dollars for training LSU and Tulane medical residents.

The Louisiana Streamlining Government Commission recommends to the governor and the Louisiana Legislature that the LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.

COMMISSION RECOMMENDATION #102

CSG #102

AGEB #39

The Department of Health and Hospitals consider reducing the administrative costs of the Louisiana Medicaid Program by at least 5%.

NARRATIVE:

At the November 4, 2009, meeting of the Advisor Group on Efficiency and Benchmarking, Mr. John Kennedy provided information about the administrative costs associated with the Louisiana Medicaid program. Mr. Kennedy stated that Louisiana taxpayers spend \$252,000,000 in administrative costs to administer Louisiana's Medicaid Program, which faces a serious budget shortfall over the next several years. Mr. Kennedy further stated that administrative costs are the lowest priority of expenditures in the Medicaid Program. Based on this information, Mr. Kennedy proposed a recommendation which would direct the Department of Health and Hospitals to reduce the administrative costs of the Louisiana Medicaid Program by 20%, which will achieve an annual savings of \$50,400,000. There being no objection, the recommendation was approved. (Advisory Group on Efficiency and Benchmarking Minutes, 11/4/2009)

The recommendation was considered by the Commission on Streamlining Government on November 17, 2009. Mr. Kennedy explained the proposed recommendation to the commission. He stated that the state should prioritize its Medicaid spending and that administrative expenses should be prioritized lower than providing care. Mr. Martin raised concerns about how the state could effectively manage care and cut administrative expenses at the same time. Mr. Kennedy reiterated that because of the looming budget deficits priorities have to be made in spending and cuts to spending should come to the administrative side first. Ms. Davis inquired about how such a cut would affect the department's newly announced initiative to reduce the amount of fraud and abuse in the Medicaid program. Mr. Castille, with the Department of Health and Hospitals, responded that ultimately the state has to change the way the Medicaid program is administered and move away from a fee for service program to more of a managed care program. He further stated that the Department of Health and Hospitals was still seeking to implement some of the aspects of the proposed waiver submitted to the federal government last December. Mr. Castille believed that this recommendation could have a negative effect on the program because many of the administrative programs are mandated by the federal government and must be performed. Senator Donahue then questioned whether a lower percentage would be better and stated that the idea of reducing the administrative expenses was sound regardless of the amount. Mr. Martin offered an amendment to change "20%" to "by at least 5%." Mr. Kennedy objected to the amendment and stated that it was the commission's burden to prioritize the cuts. Senator Donahue called for the vote on the amendment which passed by a vote of six yeas and 2 nays. The amended recommendation was adopted without objection. (Commission on Streamlining Government Minutes, 11/17/2009)

HISTORY:

11/17/09 - Amended and Adopted by the Commission on Streamlining Government

December 22, 2009

Commission on Streamlining Government

11/12/09 - Reported confirmed by the Advisory Group on Efficiency and Benchmarking

11/10/09 - Received by the Commission on Streamlining Government

11/04/09 - Adopted by the Advisory Group on Efficiency and Benchmarking

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 102**
Streamlining Draft **AGEB 39**

Date: December 3, 2009 10:18 AM	Author:
Dept./Agy.: Department of Health and Hospitals	Analyst: Shawn Hotstream
Subject: Administration	

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Proposed recommendation requires the Department of Health and Hospitals to consider reducing the administrative costs of the Louisiana Medicaid Program by at least 5%

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$31,500,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$31,500,000)
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$12,600,000)	(\$12,600,000)	(\$12,600,000)	(\$12,600,000)	(\$12,600,000)	(\$63,000,000)

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$31,500,000)
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$6,300,000)	(\$31,500,000)

EXPENDITURE EXPLANATION

The existing operating budget (FY 10) for the Medical Vendor Administration Program is approximately \$252 M. Assuming the department decreases administration costs up to the streamline commission's recommendation of at least 5%, a total of \$12.6 M is anticipated to be reduced. Although the Medical Vendor Administration program contains various match rates, the expenditure table above reflects reductions based on 50% state general fund/50% federal match. At this time, the LFO is unaware of which activities or positions will be eliminated or reduced to achieve the required reduction. The various functions of Medical Vendor Administration include eligibility, licensure, reimbursement, and monitoring health services in Louisiana Medicaid to ensure both state and federal compliance. The program contains approximately 1,263 T.O.

REVENUE EXPLANATION

The revenue reduction above reflects federal financial participation, which is calculated using a federal match rate of 50%.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Efficiency and Benchmarking **PROPOSAL #:** AGEB # 39
SUBJECT: Department of Health and Hospitals - Administrative Costs **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009
COMMISSION ACTION: AMENDED / ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 102

RECOMMENDATION: The Department of Health and Hospitals consider reducing the administrative costs of the Louisiana Medicaid Program by at least 5%.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of Health and Hospitals consider reducing the administrative costs of the Louisiana Medicaid Program by at least 5%.	Legislature, DHH	To save money and help reduce the deficit in Louisiana's Medicaid Program by reducing the state's Medicaid administrative costs.	Legislation	12.6 million annually	

ADVISORY GROUP ON Efficiency and Benchmarking

PROPOSAL #: ACEB # 39

SUBJECT: DHH - Administrative Costs

DATE ADOPTED BY ADVISORY GROUP: 11-4-09

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: The Louisiana Department of Health and Hospitals be directed to reduce the administrative costs of the Louisiana Medicaid Program by 20%, which will achieve an annual savings of \$50.4 million.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Louisiana Department of Health and Hospitals be directed to reduce the administrative costs of the Louisiana Medicaid Program by 20%, which will achieve an annual savings of \$50.4 million.	Legislature	To save money and help reduce the deficit in Louisiana's Medicaid Program by reducing the state's Medicaid administrative costs.	Legislation	50.4 million annually	

The Louisiana Streamlining Government Commission finds that Louisiana taxpayers spend \$252 million in administrative costs to administer Louisiana's Medicaid Program, which faces a serious budget shortfall over the next several years. Administrative costs are the lowest priority of expenditures in the Medicaid Program. The Commission recommends to the governor and the Louisiana Legislature that they direct the Louisiana Department of Health and Hospitals to reduce the administrative costs of the Louisiana Medicaid Program by 20%, which will achieve an annual savings of \$50.4 million.

COMMISSION RECOMMENDATION #103

CSG #103

AGDNES #10

Develop plan to remove the state of Louisiana from the leasing of buildings and office space.

NARRATIVE:

The Division of Administration/Office of Facility Planning and Maureen Clary (a retired realtor) testified before the Advisory Group on Elimination of Duplicative and Non-Essential Services on September 8, 2009. The Division of Administration/Office of Facility Planning testified again on September 22, 2009. Among other items, there was discussion regarding the management of leases by state agencies and the utilization of space. Based on the information conveyed, Mr. Tony Gordon suggested that the management of state leases would be better served if instead of automatic renewals of leases by agencies, the Division of Administration took the position of "zeroing out" lease space and requiring that agencies provide justification for such leases to be renewed. Particularly with the downsizing of government and hiring freezes, savings may be realized if regular evaluations lead to similar downsizing of space requirements and/or leveraging by consolidation of various agencies space needs.

The advisory group adopted this recommendation at its meeting on October 29, 2009, and confirmed such on November 16, 2009.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Confirmed by Advisory Group on Elimination of Duplicative and Non-Essential Services

11/03/09 - Received by Commission on Streamlining Government

10/29/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 103**
Streamlining Draft **AGEDNES 10**

Date: December 7, 2009 2:30 PM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

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Develop plan to remove the state of Louisiana from the leasing of buildings and office space

The proposed Streamlining Commission recommendation provides that a plan be developed to implement zero-base of all state lease buildings and offices. After zero-basing, exceptions should only be considered by DOA.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed Streamlining Commission recommendation will likely result in a significant increase in state expenditures over the period reflected above. The recommendation requires the DOA to develop a plan to eliminate the leasing of space by state agencies statewide. The state of Louisiana currently leases a total of 5,558,338 sq. ft. as part of 755 total leases statewide. The annual rent paid on these leases is \$66.4 million. These leases include office space, warehouse space, classroom space, etc. According to the DOA, if office space were to be constructed to accommodate all of those agencies displaced due to this recommendation, the potential cost would be approximately \$1 billion. This estimate is based on a cost of \$175-\$200/sq. ft. The DOA notes that if \$1 billion in bonds were sold to finance construction of new office buildings in response to this recommendation, the annual debt service payment would likely be approximately \$80 million over twenty years.

The DOA has noted that a recent request of state agencies to list any properties currently not being used or being underutilized reflected very little usable space. The LFO assumes that sufficient space is not available to address space requirements of this magnitude, especially in rural communities. The DOA notes that in many locations, it is more cost effective to lease space than it is to build, own and operate a building. To the extent that the Streamlining Commission recommendation requires all leases of space to be terminated, a significant but indeterminable increase in expenses will result.

The LFO assumes that savings may be realized once all bond debt is terminated. However, maintenance of these facilities, which is not currently included in the cost of leased space, must be factored into these calculations. Any potential savings realized beyond the bond term is indeterminable.

NOTE: Any such bond issuance required as part of this recommendation is unlikely due to the state being very near its capacity regarding the debt limit.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** ACDNES #10
SUBJECT: Division of Administration - Leasing **DATE ADOPTED BY ADVISORY GROUP:** October 29, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 103

RECOMMENDATION: Develop plan to remove the state of Louisiana from the leasing of buildings and office space.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop plan to implement zero-base of all state leased buildings and offices. After zero-basing, exceptions should only be considered by DOA.	DOA/Facility Planning	Reduce and/or work to eliminate the cost of leasing office buildings and space.	Special consideration needed if leases are to be renewed.	Better use of building grounds and maintenance and consolidation of buildings used by varied agencies.	Facility to review millions of square feet leased by state.

ADVISORY GROUP ON: Elimination of Duplicative and Non-Essential Services **PROPOSAL#:** AGDNES #10
SUBJECT: DofA - Leasing **DATE ADOPTED BY ADVISORY GROUP:** 10/29/09
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION:
 Develop plan to remove the state of Louisiana from the leasing of buildings and office space

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop plan to implement zero-base of all state leased buildings and offices. After zero-basing, exceptions should only be considered by DOA.	DOA/Facility Planning	Reduce and/or work to eliminate the cost of leasing office buildings and space	Special consideration needed if leases are to be renewed	Better use of building grounds and maintenance and consolidation of buildings used by varied agencies.	Facility to review millions of square feet leased by state.

COMMISSION RECOMMENDATION #104

CSG #104**AGDNES #24**

Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

NARRATIVE:

The Mercatus Center submitted to the Commission on Streamlining Government a white paper on the creation of a privatization unit to assist agencies as they attempt to privatize various programs or activities within their agency. This white paper was circulated to the members of the Advisory Group on Elimination of Duplicative and Non-Essential Services and was discussed at their meeting on November 5, 2009.

Based on the paper and the discussion it was recommended that the Division of Administration (DOA) should create a privatization and outsourcing unit within DOA having appropriate experience and expertise and provide such unit as a resource to all departments and state agencies. The unit will serve as a center of functional excellence for privatization and outsourcing.

According to the Mercatus Center, much of the criticism of privatization around the world stems from the absence of a robust system of management and oversight of the privatization process. The purpose of creating this unit is to acquire expertise with necessary technical skills to assess the economic risks of selling or contracting public processes to the private sector. The marketplace expertise would allow for cautions to be understood and taken regarding the pitfalls of privatizing.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Confirmed by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Introduced at the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 104**
Streamlining Draft **AGEDNES 24**

Date: December 9, 2009 9:24 AM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

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Create a privatization and outsourcing unit within the DOA

Create a privatization and outsourcing unit within the DOA having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed Streamlining Commission recommendation is anticipated to increase state expenditures in FY 11 as determined necessary to create the unit described in this recommendation. The proposal would locate this privatization unit in the DOA and would be comprised of persons with necessary technical skills and the appropriate experience in the marketplace to be aware of the opportunities and the pitfalls of privatizing. Creation of such a unit may require the addition of a number of staffers who are already trained in this area of expertise or who will be trained by experts in this field. To the extent that additional staff is necessary to address this recommendation, an indeterminable increase in personal services and operating expenses will result. To the extent that the unit recognizes outsourcing and privatizing opportunities which are ultimately implemented, expenditure reductions in subsequent fiscal years could offset initial additional expenditures.

The DOA notes that it is currently engaged in a public-private partnership with the Reason Foundation, a non-profit think-tank which specializes in outsourcing. The Reason Foundation has expressed interest in continuing this partnership and to the extent that this organization provides training related to privatization at no cost, expenditures related to this unit will be reduced. The DOA has indicated that if paid consultants are required, as much as \$50,000 in training costs could result.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES #24
SUBJECT: DOA - Privatization and Outsourcing Unit **DATE ADOPTED BY ADVISORY GROUP:** November 09, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 104

RECOMMENDATION: Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.	DOA.	The purpose is for the state to acquire expertise with necessary skills to assess the economic risks of selling or contracting public processes to the private sector.	This unit should be located at DOA and comprised of those with necessary technical skills and the appropriate experience in the marketplace to be aware of the pitfalls of privatizing. These skills should be hired outside the government workforce and answerable to the Commissioner, Governor and/or respective legislative group/committee(s).	Final decision whether to proceed with privatization or outsourcing would rest with the statewide elected official or his designee and could be based on a recommendation made to the statewide elected official by the unit.	

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES #24

SUBJECT: DofA - Privatization and Outsourcing Unit

DATE ADOPTED BY ADVISORY GROUP: _____

November 9, 2009; Confirmed November 16, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Create a privatization and outsourcing unit within Division of Administration (DofA) having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Create a privatization and outsourcing unit within Division of Administration (DofA) having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.	DofA.	The purpose is for the state to acquire expertise with necessary skills to assess the economic risks of selling or contracting public processes to the private sector.	This unit should be located at DofA and comprised of those with necessary technical skills and the appropriate experience in the marketplace to be aware of the pitfalls of privatizing. These skills should be hired outside the government workforce and answerable to the Commissioner, Governor and/or respective legislative group/committee(s).	Final decision whether to proceed with privatization or outsourcing would rest with the statewide elected official or his designee and could be based on a recommendation made to the statewide elected official by the unit.	

COMMISSION RECOMMENDATION #105

CSG #105

AGDNES #25

Every department and agency be required to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transaction with the public to an electronic online capability as appropriate; and (3) Support regional Government Service Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.

NARRATIVE:

The Mercatus Center submitted to the Commission on Streamlining Government a white paper on Government Service Centers. The white paper was circulated to the members of the Advisory Group on Duplicative and Non-Essential Services and discussed at their meeting on November 5, 2009.

Based on the paper and the discussion, the advisory group recommended that all departments and state agencies should: (1) Organize themselves structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and process that could be accessed electronically or with the help of skilled specialists. The advisory group also recommended that each department or state agency field office could be consolidated to such centers and surplus buildings and personnel to be addressed.

According to the Mercatus Center, several departments have offices located throughout the state for the delivery of services. Co-location of local offices would help citizens in need of state services from multiples agencies be able to receive such services at a single location and would provide significant savings to the state in overhead expenses. Also, to the extent that services could be delivered online, even greater savings could be realized.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Confirmed by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES #25
SUBJECT: All Agencies - Government Service Centers **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 105

RECOMMENDATION: Every department and agency be required to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Every department and agency be required to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.	All departments and agencies; Legislature	Several department have offices located throughout the state for the delivery of services. Co-location of local offices would help citizens in need of state services from multiple agencies. It would also, through economies of scale, save the state in overhead expenses.	Number of regions and boundaries thereof need to be determined; Services which are currently delivered on-line or which could be and those services that will require the help of a skilled specialists need to be identified; Locations for the Government Service Centers will need to be identified and a plan will need to be developed and implemented for transfer of the delivery of the services to the Center location. Legislation	Savings should be realized as overhead for the delivery of services locally is consolidated and more is accomplished through the use of the Internet	Will take some time for Government Service Centers to be established and departments close offices to move to them.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES #25

SUBJECT: All Agencies - Government Service Centers

DATE ADOPTED BY ADVISORY GROUP:

November 9, 2009; Confirmed November 16, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Every department and agency be require to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Every department and agency be require to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.	All departments and agencies.	Several department have offices located throughout the state for the delivery of services. Co-location of local offices would help citizens in need of state services from multiple agencies. It would also, through economies of scale, save the state in overhead expenses.	Number of regions and boundaries thereof need to be determined; Services which are currently delivered on-line or which could be and those services that will require the help of a skilled specialists need to be identified; Locations for the Government Service Centers will need to be identified and a plan will need to be developed and implemented for transfer of the delivery of the services to the Center location.	Savings should be realized as overhead for the delivery of services locally is consolidated and more is accomplished through the use of the Internet	Will take some time for Government Service Centers to be established and departments close offices to move to them.

COMMISSION RECOMMENDATION #106

CSG #106

AGDNES #26

Each state department is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.

NARRATIVE:

At the November 5, 2009, meeting of the Advisory Group on Elimination of Duplicative and Non-Essential Services, Mr. Jay Campbell suggested that given the significant budgetary challenges facing the state, it may be appropriate to consider a bold, aggressive strategy of providing a financial incentive to agency heads to implement permanent sustainable savings.

At the November 9, 2009, meeting of the advisory group, Mr. Campbell proposed a recommendation that provided that all state departments, agencies, boards and commissions should, either through its secretary, executive director, commissioner, or statewide elected official, work to prepare and provide a review or analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately and permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Also, that there be financial incentives for implementation of permanent sustainable savings that can be verified through an audit. Specifically, agencies are asked to compensate each department or either its secretary, executive director, commissioner, or statewide elected officials, and other key department personnel (to be identified), 10% of the actual verifiable continuation cost or expense reductions (up to a specified cap) that are fully implemented through the initiative of the department, agency or board. Payment should be made in periodic increments upon verification through audit that there was a permanent sustainable reduction and the amount thereof.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

HISTORY:

- 11/17/09 - Adopted by the Commission on Streamlining Government
- 11/16/09 - Confirmed by the Advisory Group on Elimination of Duplicative and Non-Essential Services
- 11/10/09 - Received by the Commission on Streamlining Government
- 11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES #26
SUBJECT: All Agencies - Continuation Cost Reduction Incentives **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 106

RECOMMENDATION: Each state department is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each state department, either through its Secretary, Executive Director, Commissioner, or state-wide elected official is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.	All state departments, agencies, boards and commissions; Legislature	To provide financial incentives for initiating and implementing sustainable government savings, compensate each department or either its Secretary, Executive Director, Commissioner, or state-wide elected official, and other key departmental personnel (to be identified), 10% of the actual verifiable continuation cost or expense reductions (up to a specified cap) that are fully implemented through the initiative of the department/agency/board/ commission where constitutionally and statutorily permitted; provide that such compensation will be paid in periodic increments upon verification though audits that there was a permanent sustainable reduction and the amount thereof.	Legislation	Savings would be realized as ideas are implemented.	Commission's work is done with recommendation. Implementation would be through budget process and possible legislation.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES #26

SUBJECT: All Agencies - Continuation Cost Reduction Incentives

DATE ADOPTED BY ADVISORY GROUP: _____

November 9, 2009; Confirmed November 16, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Each state department is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each state department, either through its Secretary, Executive Director, Commissioner, or state-wide elected official is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.	All state departments, agencies, boards and commissions	To provide financial incentives for initiating and implementing sustainable government savings, compensate each department or either its Secretary, Executive Director, Commissioner, or state-wide elected official, and other key departmental personnel (to be identified), 10% of the actual verifiable continuation cost or expense reductions (up to a specified cap) that are fully implemented through the initiative of the department/agency/board/ commission where constitutionally and statutorily permitted; provide that such compensation will be paid in periodic increments upon verification through audits that there was a permanent sustainable reduction and the amount thereof.	Propose legislation as needed.	Savings would be realized as ideas are implemented.	Commission's work is done with recommendation. Implementation would be through budget process and possible legislation.

COMMISSION RECOMMENDATION #107

CSG #107

AGDNES #27

Office of Juvenile Justice partner with the Department of Social Services and other stakeholders to better implement the Families in Need of Services Program with a goal of preventing youth from entering the costly juvenile justice system.

NARRATIVE:

On November 9, 2009, and November 16, 2009, the Office of Juvenile Justice (OJJ) testified before the Advisory Group on Elimination of Duplicative and Non-Essential Services.

According to OJJ, they are mandated to provide services to youth who are adjudicated as “Families in Need of Services” (FINS). The Department of Social Services also provides services to youth adjudicated as FINS and so may the Department of Health and Hospitals for youth with complex behavioral health needs. Currently, the child welfare and juvenile justice system provide services to families through a fragmented service delivery model that is not well coordinated and often times difficult for families, law enforcement, judges and case workers to navigate. Instead of pooling resources and leveraging funding to achieve greater outcomes, children with the highest level of need are often detained in secure or residential settings, which are proven to be the highest cost services with the poorest outcomes.

The Office of Juvenile Justice (OJJ) recommended partnering with the Department of Social Services (DSS), the military department *, judges, district attorneys and other stakeholders to create processes and procedures in order to better implement the FINS Program. The goal should be to prevent youths from entering into the costly juvenile justice system and determine the best manner in which to serve this population of youth realizing that intervention should occur at the earliest time possible.

According to OJJ and DSS, this is an efficiency measure. Costs will shift between the agencies so more federal funding can be leveraged a greater variety of services can be accessed. This effort may not produce an immediate decrease in OJJ costs due to the need for placement of youth awaiting a bed in secure care.

Mr. Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

** Per the Executive Branch, the military department is not involved in the adjudication or provision of services to FINS youth, however this recommendation encourages OJJ to consider the military department programs (Youth Challenge) as an guide and/or partner.*

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Amended by the Advisory Group on Elimination of Duplicative and Non-Essential Services

December 22, 2009

Commission on Streamlining Government

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services PROPOSAL #: AGDNES #27A (November 16, 2009)

SUBJECT: DSS/OJJ - Families in Need of Services (FINS) DATE ADOPTED BY ADVISORY GROUP: November 9, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 107

RECOMMENDATION: Office of Juvenile Justice partner with the Department of Social Services and other stakeholders to better implement the Families in Need of Services Program with a goal of preventing youth from entering the costly juvenile justice system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
OJJ partner with DSS and other stakeholders to better implement the Families in Need of Services (FINS) Program with a goal of preventing youth from entering the costly juvenile justice system.	DSS, OJJ, and other stakeholders including the military department.	OJJ is working with DSS to determine the best manner in which to serve this population of youth. Many stakeholders are involved including the Supreme Court, District Attorney's, and Judges.	Legislation may be required. Intervention should occur at the earliest possible time.	This is an efficiency measure. Cost shifting to DSS where more federal funding can be leveraged.	Youth Challenge, Job Challenge and similar programs should be considered.

Amended - November 16, 2009

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES #27 - A

SUBJECT: DSS/OJJ - Families in Need of Services (FINS)

DATE ADOPTED BY ADVISORY GROUP: _____

November 9 2009; Amended November 16, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Office of Juvenile Justice (OJJ) partner with Department of Social Services (DSS) and other stakeholders to better implement the Families in Need of Services (FINS) Program with a goal of preventing youth from entering the costly juvenile justice system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
OJJ partner with DSS and other stakeholders to better implement the Families in Need of Services (FINS) Program with a goal of preventing youth from entering the costly juvenile justice system.	DSS, OJJ, and other stakeholders including the military department.	OJJ is working with DSS to determine the best manner in which to serve this population of youth. Many stakeholders are involved including the Supreme Court, District Attorney's, and Judges.	Legislation may be required. Intervention should occur at the earliest possible time.	This is an efficiency measure. Cost shifting to DSS where more federal funding can be leveraged.	Youth Challenge, Job Challenge and similar programs should be considered.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES #27

SUBJECT: DSS/OJJ - Families in Need of Services (FINS) **DATE ADOPTED BY ADVISORY GROUP:** 11/09/09

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Office of Juvenile Justice (OJJ) partner with Department of Social Services (DSS) and other stakeholders to better implement the Families in Need of Services (FINS) Program with a goal of preventing youth from entering the costly juvenile justice system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
OJJ partner with DSS and other stakeholders to better implement the Families in Need of Services (FINS) Program with a goal of preventing youth from entering the costly juvenile justice system.	DSS and OJJ	OJJ is working with DSS to determine the best manner in which to serve this population of youth. Many stakeholders are involved including the Supreme Court, District Attorney's, and Judges.	Legislation may be required. Intervention should occur at the earliest possible time.	This is an efficiency measure. Cost shifting to DSS where more federal funding can be leveraged.	

COMMISSION RECOMMENDATION #108

CSG #108

AGDNES #28

School districts should work with the Office of Juvenile Justice to forward local Minimum Foundation Program (MFP) funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP dollars follow the student.

NARRATIVE:

The Office of Juvenile Justice (OJJ) testified before the Advisory Group on Elimination of Duplicative and Non-Essential Services on November 9, 2009, and November 16, 2009.

According to OJJ, they provide educational services to youth in secure custody; however, they do not receive the MFP funding generated at the local level for such. The state, in essence, pays the state and local portion for the education of the youth. OJJ contends that once the youth exists that local school district and begins receiving educational services while in state custody, the local funding generated for the educational services should follow the child.

Representatives of the school board association and school superintendents argued against this proposal. They argued that their expenses do not change when youth are adjudicated, they do not control the adjudication of youth, and it will not be practical to calculate or implement under the current budgeting processes.

OJJ and the Department of Education estimate the savings in state general fund could be between \$1,200,000 and \$2,500,000.

The Advisory Group adopted this recommendation on November 9, 2009, and amended it on November 16, 2009. Mr. Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was amended and adopted.

HISTORY:

11/17/09 - Amended and adopted by the Commission on Streamlining Government

11/16/09 - Amended by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 108**
Streamlining Draft **AGEDNES 28A**

Date: December 3, 2009 8:56 AM **Author:**
Dept./Agy.: Education and Office of Juvenile Justice **Analyst:** Mary Kathryn Drago
Subject: MFP dollars follow the student

Page 1 of 1

School districts should work with the Office of Juvenile Justice to forward all local, state, and federal funds (to the extent permitted by law) to the Office of Juvenile Justice for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so the MFP and other dollars follow the student.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The recommendation should result in a reduction of state general fund expenditures. Minimum Foundation Program (MFP) funds for students transferring to state custody will flow from the school system from which they were previously enrolled to the Office of Juvenile Justice (OJJ), and OJJ's budget could be reduced by a like amount. The reduction in state general fund expenditures would be approximately \$8.5 million based on the total number of youth in secure care custody in FY 09 (1,004 students). However, if the MFP recognized the average daily attendance of the students rather than a true student count as the "Missouri Model" does, then the reduction in expenditures would be much less. According to OJJ, the average daily attendance is 450. Using that enrollment figure, the amount of MFP revenue generated and potential savings would be \$3.8 million. The current MFP formula would need to be changed to include OJJ as a school system to implement this change.

According to OJJ, the average educational cost for a youth in secure care custody is \$7,216. This figure is based upon the FY 08-09 student enrollment of 1,004 students. In addition, students receive educational services through "day treatment" programs. The average cost per student is \$13,931, but this figure includes costs for services such as counseling. This cost is based upon 702 students enrolled in the FY 08-09 day treatment programs.

The current MFP formula provides a state average share of \$5,031 per student and a local share of \$3,479 per student for a total of \$8,510. Transferring the state and local average per pupil share of the MFP for 1,004 students will generate \$8,544,040 in total revenue. OJJ had expenditures totaling \$7,245,486 for educating youth in the secure care facilities. Of this total expenditure amount, \$6,850,783 was general fund expenditures for education and \$394,703 was federal fund expenditures for federal grants received from the Department of Education. The difference between the MFP revenue and the state general fund expenditures is \$1,703,257. It is assumed that OJJ would continue to receive similar amounts of federal funds.

OJJ had expenditures totaling \$9,779,904 for students that participated in the day treatment programs. The remaining MFP state and local amount of \$1,703,257 could be used to offset those educational expenditures. According to OJJ, the total expenditure amount noted above cannot be broken out to determine the exact amount that was spent on education.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES # 28A (amended November 16, 2009)
SUBJECT: OJJ & BESE - MFP dollars follow student **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009
COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 108
RECOMMENDATION: School districts should work with the Office of Juvenile Justice to forward local Minimum Foundation Program (MFP) funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP dollars follow the student.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
School districts should work with OJJ to forward local MFP funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so the MFP dollars follow the student.	OJJ and BESE	Elimination of duplicative MFP payments	Proposed legislation may be required or re-working of MFP formula by BESE. Objective is for funds to follow the child	This is a matter of efficiency and would eliminate the "double payment" for each student's education by the state. Savings estimate: Up to approximately \$2500 per student in State General Fund and it would be recurring. For FY '08 - '09, 1,004 students were educated in a secure facility for some period of time and 702 students were educated in a day treatment 10-day program. Savings could be \$2.5M in SGF.	OJJ Presentation made to BESE and is under consideration

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES # 28 A

SUBJECT: OJJ & BESE - MFP dollars follow student

DATE ADOPTED BY ADVISORY GROUP:

November 9, 2009; Amended November 16, 2009

COMMISSION ACTION: Amended and Adopted

DATE: November 17, 2009

RECOMMENDATION: School districts should work with Office of Juvenile Justice (OJJ) to forward all local, state, and federal funds (to the extent permitted by law) to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP dollars and other dollars follow the student.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
School districts should work with OJJ to forward all local, state, and federal funds (to the extent permitted by law) to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP and other dollars follow the student.	OJJ and BESE	Elimination of duplicative MFP payments	Proposed legislation may be required or re-working of MFP formula by BESE. Objective is for funds to follow the child	This is a matter of efficiency and would eliminate the "double payment" for each student's education by the state. Savings estimate: Up to approximately \$2500 per student in State General Fund and it would be recurring. For FY '08 - '09, 1,004 students were educated in a secure facility for some period of time and 702 students were educated in a day treatment 10-day program. Savings could be \$2.5M in SGF.	OJJ Presentation made to BESE and is under consideration

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES # 28

SUBJECT: OJJ & BESE - MFP dollars follow student

DATE ADOPTED BY ADVISORY GROUP: November 9, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: School districts should work with Office of Juvenile Justice (OJJ) to forward local Minimum Foundation Program (MFP) funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP dollars follow the student.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
School districts should work with OJJ to forward local MFP funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so the MFP dollars follow the student.	OJJ and BESE	Elimination of duplicative MFP payments	Proposed legislation may be required or re-working of MFP formula by BESE. Objective is for funds to follow the child	This is a matter of efficiency and would eliminate the "double payment" for each student's education by the state. Savings estimate: Up to approximately \$2500 per student in State General Fund and it would be recurring.	OJJ Presentation made to BESE and is under consideration

COMMISSION RECOMMENDATION #109

CSG #109**AGDNES #29**

Develop, plan and explore efficiency opportunities for consolidating field sampling programs within the departments of Health and Hospitals, Environmental Quality and Wildlife and Fisheries.

NARRATIVE:

The Department of Health and Hospitals (DHH), the Department of Environmental Quality (DEQ), and the Department of Wildlife and Fisheries (DWF) testified before the Advisory Group on Elimination of Duplicative and Non-Essential Services on November 2, 2009, in response to a white paper issued by the Legislative Auditor's office on duplication of services regarding fish and shellfish sampling. DHH, DEQ, and DWF testified November 5, 2009, and November 9, 2009.

According to the auditor's report and the agencies, DHH, DEQ and DWF are engaged in field sampling procedures. DEQ tests for levels of mercury in the water body and in the fish, while DWF tests for water quality properties such as salinity and oxygen levels as well as fish population parameters. DHH sampling focuses on determining the level of fecal coliform and ecoli levels in molluscan shellfish growing areas. The agencies agreed to explore efficiency opportunities for consolidating field sampling programs.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Confirmed by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See Attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** ACDNES #29
SUBJECT: DHH/DEQ/DWF - Fish/Shellfish Sampling **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 109

RECOMMENDATION: Develop plan and explore efficiency opportunities for consolidating field sampling programs within the departments of Health and Hospitals, Environmental Quality and Wildlife and Fisheries.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop a plan and explore efficiency opportunities for consolidating field sampling programs within DHH, DEQ, and DWF.	DHH, DEQ, and DWF	Both DEQ and DWF sampling tests fish. DEQ test for levels of mercury in the water body and in the fish. DWF tests for water quality properties such as salinity and oxygen levels. DHH sampling focuses on determining the level of fecal coliform and ecoli levels in molluscan shellfish growing areas. This is a lab analysis to determine safety of the product. The task is about speed and volume. Samples are time sensitive and must at the lab ASAP. DHH sample sites are strategically located to monitor oysters while DWF sites are located to follow species travel and reefs, allowing effective management of resource.	An in-depth analysis to project possible cost-savings estimates in the areas of boat fleet management, personnel sharing, and sampling equipment	Since DHH sampling sites cover 8 million acres, DHH could provide data collection with DEQ and DWF on water salinity and temps at 1 foot of depth and fecal coliform value for these sites. DWF and DEQ have similar objectives and equipment in collection and analysis of fish sampling; therefore an in-dept analysis may determine savings in sharing field and lab analysis of data collected, as well through sampling site coordination.	DHH primary objective is maintain compliance with the National Shellfish Sanitation Program and Interstate Shellfish Sanitation Conference to allow oysters to be sold through interstate commerce.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES #29

SUBJECT: DHH/DEQ/DWF - Fish/Shellfish Sampling

DATE ADOPTED BY ADVISORY GROUP: _____

November 9, 2009; Confirmed November 16, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Develop plan and explore efficiency opportunities for consolidating field sampling programs within the departments of Health and Hospitals (DHH), Environmental Quality (DEQ) and Wildlife and Fisheries (DWF).

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop a plan and explore efficiency opportunities for consolidating field sampling programs within DHH, DEQ, and DWF.	DHH, DEQ, and DWF	Both DEQ and DWF sampling tests fish. DEQ test for levels of mercury in the water body and in the fish. DWF tests for water quality properties such as salinity and oxygen levels. DHH sampling focuses on determining the level of fecal coliform and ecoli levels in molluscan shellfish growing areas. This is a lab analysis to determine safety of the product. The task is about speed and volume. Samples are time sensitive and must at the lab ASAP. DHH sample sites are strategically located to monitor oysters while DWF sites are located to follow species travel and reefs, allowing effective management of resource.	An in-depth analysis to project possible cost-savings estimates in the areas of boat fleet management, personnel sharing, and sampling equipment	Since DHH sampling sites cover 8 million acres, DHH could provide data collection with DEQ and DWF on water salinity and temps at 1 foot of depth and fecal coliform value for these sites. DWF and DEQ have similar objectives and equipment in collection and analysis of fish sampling; therefore an in-dept analysis may determine savings in sharing field and lab analysis of data collected, as well through sampling site coordination.	DHH primary objective is maintain compliance with the National Shellfish Sanitation Program and Interstate Shellfish Sanitation Conference to allow oysters to be sold through interstate commerce.

COMMISSION RECOMMENDATION #110

CSG #110

AGDNES #31

Department of Health and Hospitals to study appropriate role and determine best future use of Villa Feliciano (VF) Medical Complex either as a medical facility or otherwise.

NARRATIVE:

The Department of Health and Hospitals (DHH)/Office of Aging and Adult Services (OAAS) Assistant Secretary Hugh Eley testified before the Advisory Group on Elimination of Duplicative and Non-Essential Services on November 9, 2009, and November 16, 2009.

According to OAAS, the department is following a policy of moving out of the role of direct service provider. OAAS currently operates the VF as a facility providing acute and long-term care services for patients that are particularly difficult to care for. DHH/OAAS recommended that VF be assessed to ensure that services are provided in the most cost-effective manner, by the most appropriate private provider and in a way that does not impede access. The review should specifically determine what is VF's appropriate role; is there a more effective way to provide the same services or serve the same population; and what is the long-term strategy to address the need that VF historically has filled.

DHH estimates a one time state general fund net savings to close the facility of \$1,950,000. Further savings vary on whether the facility is sold or leased.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and it was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Confirmed by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES # 31
SUBJECT: DHH - Sale/lease of Villa Feliciana **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 110

RECOMMENDATION: Department of Health and Hospitals to study appropriate role and determine best future use of Villa Feliciana (VF) Medical Complex either as a medical facility or otherwise.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
DHH to continue review operations of VF to determine best future use of VF Medical complex either has a medical facility or otherwise. Specifically: (1) what is its appropriate role; (2) is there a more effective way to provide the same services or serve the same population; and (3) what is the long-term strategy to address the need that Villa Felician a historically has filled.	DHH, Office of Aging and Adult Services, Legal	VF is a unique facility providing a variety of acute and long-term care services, including inpatient care for non-complaint TB patients. This provided no where else in L.A. Historically, VF has been the "safety net placement" for difficult to care for patients that have not been able to maintain placement in private facilities. Admissions come almost exclusively from other facilities that have not been able to effectively address patient needs.	Further review is needed to determine the ongoing need for the state to operate a "safety net" facility such as VF and whether there are feasible, alternative ways to fulfill this need. The results would dictate the future direction for VF.	One-time SGF dollars to close (leave payout & unemployment): \$1,951,436. Ongoing SGF dollars after closure assuming retention of VF: \$3,588,206 (retirement \$2,280,000 & building maintenance \$1,308,206). Estimated SGF dollar savings to Medicaid (note: ancillary services such as pharmacy are in the VF base rate and are carved-out and paid fee-for-service for private facility patients thus complicating a rate comparison and projected savings to Medicaid) - MVA payments to VF SGF= \$3,680,853 for Medicaid SNF payments only. - MVA payments to private SGF = \$1,907,677 for a savings of \$1,773,175 in SGF/year for Medicaid. Net SGF Cost ongoing assuming retention of the facility: (\$1,814,825)/year Net SGF Cost ongoing assuming sale of VF (\$506,825)/year. Note: These estimates do not factor in DSH payments to VF of \$1,026,000 potential Medicaid hospital costs for 200 inpatient days (at VF unit) at a daily per diem of \$467.43 (SGF of \$26,176), nor revenue from sources other than Medicaid.	DHH strategy is to move away from providing direct care, but VFs patients have historically been those whose needs have not been effectively met elsewhere. DHH to continue internal review.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES # 31

SUBJECT: DHH - Sale/lease of Villa Feliciana

DATE ADOPTED BY ADVISORY GROUP:

November 9, 2009; Confirmed November 16, 2009

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Department of Health and Hospitals (DHH) to study appropriate role and determine best future use of Villa Feliciana (VF) Medical Complex either as a medical facility or otherwise.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
DHH to continue review operations of VF to determine best future use of VF Medical complex either has a medical facility or otherwise. Specifically: (1) what is its appropriate role; (2) is there a more effective way to provide the same services or serve the same population; and (3) what is the long-term strategy to address the need that Villa Feliciana historically has filled.	DHH, Office of Aging and Adult Services, Legal	VF is a unique facility providing a variety of acute and long-term care services, including inpatient care for non-complaint TB patients. This provided no where else in L.A. Historically, VF has been the "safety net placement" for difficult to care for patients that have not been able to maintain placement in private facilities. Admissions come almost exclusively from other facilities that have not been able to effectively address patient needs	Further review is needed to determine the ongoing need for the state to operate a "safety net" facility such as VF and whether there are feasible, alternative ways to fulfill this need. The results would dictate the future direction for VF.	One-time SGF dollars to close (leave payout & unemployment): \$1,951,436. Ongoing SGF dollars after closure assuming retention of VF: \$3,588,206 (retirement \$2,280,000 & building maintenance \$1,308,206). Estimated SGF dollar savings to Medicaid (note: ancillary services such as pharmacy are in the VF base rate and are carved-out and paid fee-for-service for private facility patients thus complicating a rate comparison and projected savings to Medicaid) MVA payments to VF SGF= \$3,680,853 for Medicaid SNF payments only. MVA payments to private SGF = \$1,907,677 for a savings of \$1,773,175 in SGF/year for Medicaid. Net SGF Cost ongoing assuming retention of the facility: (\$1,814,825)/year Net SGF Cost ongoing assuming sale of VF (\$506,825)/year. Note: These estimates do not factor in DSH payments to VF of \$1,026,000 potential Medicaid hospital costs for 200 inpatient days (at VF unit) at a daily per diem of \$467.43 (SGF of \$26,176), nor revenue from sources other than Medicaid	DHH strategy is to move away from providing direct care, but VF's patients have historically been those whose needs have not been effectively met elsewhere. DHH to continue internal review.

COMMISSION RECOMMENDATION #111

CSG #111

AGDNES #32

Develop, plan and explore efficiency opportunities for consolidating/leveraging of the Department of Health and Hospitals and the Department of Environmental Quality drinking water programs for testing and monitoring and transfer Lead-base Paint Program from DEQ to DHH.

NARRATIVE:

The Department of Health and Hospitals (DHH) and the Department of Environmental Quality (DEQ) testified before the Advisory Group on Elimination of Duplicative and Non-Essential Services on November 2, 2009, November 9, 2009, and November 16, 2009.

Both agencies currently monitor and test drinking water. DHH recommends and DEQ agrees that many water quality issues are primarily of an environmental concern that may have adverse health impacts if not monitored. Programs in DHH such as the beach monitoring program, revolving loan program and on-site waste water program could be administered in partnership with programs already administered by DEQ's division of water quality. Any required testing could be privatized or outsourced as DEQ has done with other lab testing responsibilities.

DEQ currently houses the Lead-based Paint Program. The primary intent of this program is to protect children from lead exposure risk from improperly conducted lead abatement activity. Because DHH is well aware of the locations and conditions of lead-poisoned children, it could order abatements and oversee abatement activity and monitor improvements more efficiently than DEQ. DHH already has a significant outreach program to address lead poisoning call the Childhood Lead Poison Prevention Program. It would be more efficient if one agency administered the entire program.

Mr. Barry Erwin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked for a favorable adoption.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/16/09 - Confirmed by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/10/09 - Received by the Commission on Streamlining Government

11/09/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services **PROPOSAL #:** AGDNES # 32

SUBJECT: DHH/DEQ - Drinking Water and Lead-Base Paint **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009

COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** III

RECOMMENDATION: Develop plan and explore efficiency opportunities for consolidating/leveraging of the Department of Health and Hospitals and the Department of Environmental Quality drinking water programs for testing and monitoring and transfer Lead-base Paint Program from DEQ to DHH.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop plan and explore efficiency opportunities for consolidating/leveraging of DHH and DEQ drinking water programs for testing and monitoring and transfer Lead-Base Paint Program from DEQ to DHH.	DHH and DEQ.	Both agencies current monitor and test drinking water. The primary intent of the Lead-Base Paint Program is to protect children from lead exposure risk from improperly conducted lead abatements and oversee abatement activity and monitor improvements. DHH has significant outreach program to address lead poisoning called the Childhood Lead Poison Prevention Program.	DHH and DEQ work together to better allocate resources for drinking water testing and monitoring and recommend legislation as appropriate. Legislation is need to transfer Lead-Based Paint Program from DEQ to DHH	It would be more efficient if one agency tested and monitored drinking water. DHH administration the lead-base program since it has awareness of lead-poisoned children. DHH could use Lead fund to establish a position to process training provider, accreditation fees, and contractor letters of approval.	DEQ has begun exploration of opportunities with DHH to consolidate drinking water programs.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: ACDNES # 32

SUBJECT: DHH/DEQ - Drinking Water and Lead-Base Paint DATE ADOPTED BY ADVISORY GROUP: _____

November 9, 2009; Confirmed November 16, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Develop plan and explore efficiency opportunities for consolidating/leveraging of Department of Health and Hospitals (DHH) and Department of Environmental Quality (DEQ) drinking water programs for testing and monitoring and transfer Lead-base Paint Program from DEQ to DHH.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop plan and explore efficiency opportunities for consolidating/leveraging of DHH and DEQ drinking water programs for testing and monitoring and transfer Lead-Base Paint Program from DEQ to DHH.	DHH and DEQ.	Both agencies current monitor and test drinking water. The primary intent of the Lead-Base Paint Program is to protect children from lead exposure risk from improperly conducted lead abatement activity and monitor improvements. DHH has significant outreach program to address lead poisoning called the Childhood Lead Poison Prevention Program.	DHH and DEQ work together to better allocate resources for drinking water testing and monitoring and recommend legislation as appropriate. Legislation is need to transfer Lead-Based Paint Program from DEQ to DHH	It would be more efficient if one agency tested and monitored drinking water. DHH administration the lead-base program since it has awareness of lead-poisoned children. DHH could use Lead fund to establish a position to process training provider, accreditation fees, and contractor letters of approval.	DEQ has begun exploration of opportunities with DHH to consolidate drinking water programs.

COMMISSION RECOMMENDATION #112

CSG #112

AGCS #1

The Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.

NARRATIVE:

At the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits, Mr. Bob Harper, undersecretary for the Department of Natural Resources, testified that the department had restructured the Office of the Secretary and the Atchafalaya Basin and would be eliminating six positions for a savings of \$584,000. Representative Jim Morris stated that the advisory group was going to move forward with the proposal.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

- 11/17/09 - Adopted by the Commission on Streamlining Government
- 11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
- 11/03/09 - Received by the Commission on Streamlining Government
- 10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 112**
Streamlining Draft **AGCSEB 1**

Date: December 7, 2009 2:18 PM	Author:
Dept./Agy.: Natural Resources	Analyst: Stephanie C. Blanchard
Subject: Restructure the Office of the Secretary	

Page 1 of 1

Restructure the Office of the Secretary, Management, and the Atchafalaya Basin

The Streamlining Commission recommends that the Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	(\$307,924)	(\$323,041)	(\$338,763)	(\$355,113)	(\$372,117)	(\$1,696,958)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$307,924)	(\$323,041)	(\$338,763)	(\$355,113)	(\$372,117)	(\$1,696,958)
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The restructuring of the Office of the Secretary will result in the elimination of four positions, including executive counsel, economist, application programmer, and accountant. The responsibilities of the economist position will be contracted with the LSU Center for Energy Studies at a cost of \$50,000. The accounting position will be eliminated and the payment function of the Fishermen's Gear Compensation Fund will be outsourced at a cost of \$19,999.

The elimination of four full-time positions will result in a savings of \$377,923. Other Charges expenditures will increase by \$69,999 annually due to the contract with the LSU Center for Energy Studies and the outsourcing of the payment function. The net savings of the restructuring will be \$307,924 (\$377,923-\$69,999) in FY 11. Savings in subsequent fiscal years would increase by 4% due to merit increases that would have occurred with the four eliminated positions. Projected cost savings would decline to the extent that costs for outsourced functions (accounting and economist) increase in future years.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS #1
SUBJECT: Department of Natural Resources **DATE ADOPTED BY ADVISORY GROUP:** October 27, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 112

RECOMMENDATION: The Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.	Department of Natural Resources	Eliminate duplication and enhance efficiency.	Department changes.	\$467,254	

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS #1
SUBJECT: Department of Natural Resources **DATE ADOPTED BY ADVISORY GROUP:** 10/27/09
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: The Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.	Department of Natural Resources	Eliminate duplication and enhance efficiency.	Department changes.	\$467,254	

COMMISSION RECOMMENDATION #113

CSG #113

AGCS #3

The permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

NARRATIVE:

At the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits, Mr. Bob Harper, undersecretary for the Department of Natural Resources, testified that the department is working with the departments of wildlife and fisheries and environmental quality to co-locate their permitting teams. Representative Morris moved this recommendation forward.

On November 3, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 113**
Streamlining Draft **AGCSEB 3**

Date: December 9, 2009 2:23 PM	Author:
Dept./Agy.: Natural Resources	Analyst: Stephanie C. Blanchard
Subject: Permitting teams of DNR, WLF, and DEQ	

Page 1 of 1

Permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality

The Streamlining Commission recommends the permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Co-location of permitting staff from the United States Army Corps of Engineers, Louisiana Department of Environmental Quality (Water Quality Certifications), Louisiana Department of Wildlife and Fisheries, and the Louisiana Department of Natural Resources, Office of Coastal Management would result in improved customer service and greater efficiency in the permitting process. These agencies all participate in the permitting of projects that may impact wetlands and coastal waters within Louisiana's Coastal Zone. Although consolidation of these staff into one location will not result in an annual cost savings to the State, improved customer service and efficiency are achieved without additional cost. No general fund dollars are used to support this activity.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON _____ **Civil Service and Employee Benefits** _____ **PROPOSAL #:** _____ **AGCS #3** _____
SUBJECT: _____ **Department of Natural Resources** _____ **DATE ADOPTED BY ADVISORY GROUP:** _____ **October 27, 2009** _____
COMMISSION ACTION: _____ **ADOPTED** _____ **DATE:** _____ **November 17, 2009** _____ **RECOMMENDATION #:** _____ **113** _____

RECOMMENDATION: The permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.	Departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality	Enhance efficiency.	Changes at the departments.	Negligible cost savings.	

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS #3

SUBJECT: Department of Natural Resources **DATE ADOPTED BY ADVISORY GROUP:** 10/27/09

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: The permitting teams of the Departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The permitting teams of the Departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.	Departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality	Enhance efficiency.	Changes at the Departments.	Negligible cost savings.	

COMMISSION RECOMMENDATION #114

CSG #114**AGCS #4**

The Office of Coastal Protection and Restoration should promote cost savings by holding unfilled positions open and restricting travel.

NARRATIVE:

At the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits Jerome Zeringue, deputy executive director of the Office of Coastal Protection and Restoration, testified that the organization primarily consists of engineers and scientists because of the nature of the agency's mission. The agency proposed that it could reduce its expenditures by holding unfilled positions open and restricting travel. The savings from this agency action is estimated to be \$1,000,000. Representative Jim Morris moved the proposal forward with no objection from the members.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits PROPOSAL #: AGCS #4

SUBJECT: Coastal Protection and Restoration DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 114

RECOMMENDATION: The Office of Coastal Protection and Restoration should promote cost savings by holding unfilled positions open and restricting travel.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should promote cost savings by holding unfilled positions open and restricting travel.	Office of Coastal Protection and Restoration	Reduces costs.	Changes at office.	\$1,000,000	

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS #4

SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** 10/27/09

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: The Office of Coastal Protection and Restoration should promote cost savings by holding unfilled positions open and restricting travel.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should promote cost savings by holding unfilled positions open and restricting travel.	Office of Coastal Protection and Restoration	Reduces costs.	Changes at office.	\$1,000,000	

COMMISSION RECOMMENDATION #115

CSG #115

AGCS #5

The Public Service Commission should be subjected to the criteria of full cost recovery.

NARRATIVE:

The Mercatus Center of George Mason University submitted suggested recommendations regarding the Louisiana Public Service Commission to the Commission on Streamlining Government. One of these recommendations stated that the Public Service Commission should be subject to the new cost recovery criteria.

Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared before the Advisory Group on Civil Service and Employee Benefits at its October 27, 2009, meeting, to address the recommendations of the Mercatus Center. She stated that the activities of the commission have no impact on the state's budget, and that the costs associated with all of the activities of the agency are currently funded by the fees charged. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 115**
Streamlining Draft **AGCSEB 5**

Date: December 17, 2009 3:57 PM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject: Full Cost Recovery	

Page 1 of 1

This recommendation would require that the Public Service Commission operate under the criteria of Full Cost Recovery, which implies that those benefiting from the service pay for that service through fees. Presumably, the fee would be set at a rate that would cover the full cost of the program. Additionally, where users and non-users benefit, the fees would be apportioned accordingly.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission (PSC) as a whole is fully funded by self-generated revenue, specifically fees from motor carrier registration, utility/carrier inspection and supervision fees as well as telephonic solicitation relief for sales of the "Do Not Call" list. It appears that the current structure of the PSC already follows a rough interpretation of the Full Cost Recovery concept since no general funds, federal funds or even interagency funds are used by the PSC. However, if full cost recovery is applied at the program level, this recommendation may require state general fund to make up for fees that are collected under the auspices of utility and carrier inspection and supervision but utilized in part for implementation of the Motor Carrier Registration Program. Even though these programs serve the same clientele, the fees are ostensibly collected for specific purposes.

In the absence of exact criteria of Full Cost Recovery as recommended by the Streamlining Commission, an accurate analysis cannot be determined as the details will determine the outcome. For example, collection of fees cannot be predicted to such an exact measure that would allow consistent budgeting. These funds typically carry a balance to make up for the possibility of shortfalls. If the official Full Cost Recovery concept does not allow for the carryforward of fund balances, there is the possibility that the programs may cease operations mid-year or require the infusion of general fund in order to continue if fee collections do not meet the expectations upon which the budget is based.

Until clarity is reached concerning the implementation of a full cost recovery concept including the point in the budget hierarchy at which cost parameters will be calculated, the timing of the calculation of fees, the allowance of fund balances and other measures, the impact to the state budget is indeterminable.

The recommendation by Mercatus estimates savings of the entire PSC budget of \$8.3 million. However, since the PSC is already 100% funded by fees, any adaptations that would require the lowering of fees could result in increasing the use of state general fund should fee collections fall short of budgeted expectations.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS #5
SUBJECT: Public Service Commission **DATE ADOPTED BY ADVISORY GROUP:** October 27, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 115

RECOMMENDATION: The Public Service Commission should be subjected to the criteria of full cost recovery.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Public Service Commission should be subjected to the criteria of full cost recovery.	Legislature; Public Service Commission	Assures that users fully fund services which benefit them exclusively, taxes are not disguised as fees, and non-users do not subsidize programs that provide them no benefit. Where a service has some benefit to both users and non-users, policy makers should apportion the cost accordingly.	Statutory change; PSC policy changes.	\$8,270,934 identified by Mercatus. This represents the total funds expended to run the PSC for Fiscal year 2008-2009.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #5

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: 10/27/09

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: The Public Service Commission should be subjected to the criteria of full cost recovery.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Public Service Commission should be subjected to the criteria of full cost recovery.	Legislature; Public Service Commission	Assures that users fully fund services which benefit them exclusively, taxes are not disguised as fees, and non-users do not subsidize programs that provide them no benefit. Where a service has some benefit to both users and non-users, policy makers should apportion the cost accordingly.	Statutory change; PSC policy changes.	\$8,270,934 identified by Mercatus. This represents the total funds expended to run the PSC for Fiscal year 2008-2009.	

COMMISSION RECOMMENDATION #116

CSG #116

AGCS #9

The Public Service Commission should reduce the number of telephone lines and delete voice mail.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by reducing the number of telephone lines and deleting voice mail accounts. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 116**
Streamlining Draft **AGCSEB 9**

Date: December 8, 2009 3:25 PM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in reducing the number of telephone lines and voice mail used by the agency.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has removed unnecessary telephone lines and eliminated voice mail from other lines for a savings of \$3,755 in FY 08/09 and \$11,265 in FY 09/10. Since savings are already incorporated into the PSC budget and these devices are one-time expenditures, adoption of this recommendation will provide no additional savings in subsequent budgets.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 9
SUBJECT: Public Service Commission **DATE ADOPTED BY ADVISORY GROUP:** November 16, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 116

RECOMMENDATION: The Public Service Commission should reduce the number of telephone lines and delete voice mail.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
After a review of all LPSC telecommunication services, the agency reduced the number of telephone lines and deleted voice mail.	Implementation headed by Management and Finance Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in the removal of underutilized telephone lines and retention of only essential voice mail.	This action was put into effect by the agency through internal review and implementation.	\$3,755 FY 08/09 \$11,265 FY 09/10 estimated by agency	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 9

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Reduce the number of telephone lines plus delete voice mail.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
After a review of all Louisiana Public Service Commission (LPSC) telecommunication services, the agency reduced the number of telephone lines plus delete voice mail.	Implementation headed by Management and Finance Division with Commission wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in the removal of underutilized telephone lines and retention of only essential voice mail.	This action was put into effect by internal review and implementation.	\$3,755 FY 08/09 \$11,265 FY 09/10	done

COMMISSION RECOMMENDATION #117

CSG #117

AGCS #10

The dues and subscriptions for the Public Service Commission that no longer serve the agency's needs or which are too costly should be eliminated.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by eliminating dues and subscriptions for all members and employees of the Public Service Commission that no longer serve the agency's needs or which are too costly. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 117**
Streamlining Draft **AGCSEB 10**

Date: December 8, 2009 3:40 PM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in reviewing dues/ subscriptions and eliminating those too costly or no longer serving the agency's needs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has eliminated unnecessary dues and subscriptions for a savings of roughly \$3,500 from annual budgetary expenditures beginning in FY 08/09. Since savings are already incorporated into the PSC budget, adoption of this recommendation will provide no additional savings in subsequent years.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 10
SUBJECT: Public Service Commission **DATE ADOPTED BY ADVISORY GROUP:** November 16, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 117

RECOMMENDATION: The dues and subscriptions for the entire Public Service Commission that no longer serve the agency's needs or which are too costly should be eliminated.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Review dues and subscriptions for the entire Public Service Commission and eliminate those no longer serving the agency's needs or which are too costly.	Implementation headed by Management and Finance Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in the cancellation of dues and subscriptions that were no longer serving agency's needs or were too costly.	This action was put into effect by the agency through internal review and implementation.	\$3,284 FY 08/09 \$3,559 FY 09/10 estimated by agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 10

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Eliminate dues/subscriptions for the entire Public Service Commission that no longer serve the agency's needs and/or are too costly.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reviewed dues/subscriptions for the entire LPSC and eliminated those that were no longer serving our needs and/or were too costly.	Implementation headed by Management and Finance Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in the cancellation of dues/subscriptions that were no longer serving needs or were too costly.	This action was put into effect by internal review and implementation.	\$3,284 FY 08/09 \$3,559 FY 09/10	done

COMMISSION RECOMMENDATION #118

CSG #118

AGCS #11

The Public Service Commission should consolidate the number of copiers and electronic devices throughout the agency.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by consolidating the number of copiers and electronic devices throughout the agency. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 118**
Streamlining Draft **AGCSEB 11**

Date: December 8, 2009 3:17 PM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in consolidating the number of copiers and electronic devices throughout the agency.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has consolidated the use of copiers and other electronic devices for a savings of \$2,500 in FY 08/09 and \$10,000 in FY 09/10. Since savings are already incorporated into the PSC budget and these devices are one-time expenditures, adoption of this recommendation will provide no additional savings in subsequent budgets.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 11

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: November 16, 2009

COMMISSION ACTION: ADOPTED

DATE: November 17, 2009

RECOMMENDATION #: 118

RECOMMENDATION: The Public Service Commission should consolidate the number of copiers and electronic devices throughout the agency.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Consolidate the number of copiers and electronic devices throughout the Public Service Commission.	Implementation headed by Management and Finance Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated resulted in the consolidation of copiers and electronic devices.	This action was put into effect by the agency through internal review and implementation.	\$2,513 FY 08/09 \$10,050 FY 09/10 estimated by agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 11

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Consolidate the number of copiers and electronic devices throughout the Public Service Commission.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Consolidated the number of copiers and electronic devices throughout the LPSC.	Implementation headed by Management and Finance Division with Commission wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated resulted in the consolidation of copiers and electronic devices.	This action was put into effect by internal review and implementation.	\$2,513 FY 08/09 \$10,050 FY 09/10	done

COMMISSION RECOMMENDATION #119

CSG #119

AGCS #12

The Public Service Commission should reduce the number of vehicles and implement the use of “pool vehicles”.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by reducing the number of vehicles and implementing the use of “pool vehicles”. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 119**
Streamlining Draft **AGCSEB 12**

Date: December 15, 2009 8:58 AM
Dept./Agy.: Public Service Commission
Subject:

Author:
Analyst: Deborah Vivien

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in decreasing the number of vehicles in use by the agency.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has reduced its fleet from 32 vehicles to 14 for a savings of roughly \$40,000 per year beginning in FY 08/09. The five year average annual cost for gasoline and maintenance for 32 vehicles was \$56,963 and the actual cost in FY 08/09 for 14 vehicles was \$17,160. Since savings are already incorporated into the PSC budget and the vehicle purchases are one-time expenditures, adoption of this recommendation will provide no additional savings in subsequent budgets.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 12
SUBJECT: Public Service Commission **DATE ADOPTED BY ADVISORY GROUP:** November 16, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 119

RECOMMENDATION: The Public Service Commission should reduce the number of vehicles and implement the use of "pool vehicles".

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Downsize the number of vehicles; cut back on personal assignment and home storage. Use agency vehicles as "pool vehicles".	Implementation headed by Management and Finance Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in downsizing the fleet. Agency currently has only two vehicles personally assigned with home storage.	This action was put into effect by the agency through internal review and implementation.	\$39,803 FY 08/09 \$40,000 FY 09/10 projected by agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 12

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Reduce the number of vehicles and implement the use of "pool vehicles".

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Downsized the number of vehicles from 32 to 14 and drastically cut back on personal assignment and home storage. Now, vehicles are used as "pool vehicles".	Implementation headed by Management and Finance Division with Commission wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in downsizing the fleet. Agency currently has only two vehicles personally assigned with home storage.	This action was put into effect by internal review and implementation.	\$39,803 FY 08/09 \$40,000 FY 09/10 projected savings	done

COMMISSION RECOMMENDATION #120

CSG #120

AGCS #13

The Public Service Commission should use one purchasing source with all purchase orders issued from a central location; additionally the agency should make efforts to buy in bulk, maintain an adequate inventory of supplies and equipment, and implement a requisition system for issuance statewide.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by using one purchasing source with all purchase orders issued from a central location and making efforts to buy in bulk, to maintain an adequate inventory of supplies and equipment, and to implement a requisition system for issuance statewide. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 120**
Streamlining Draft **AGCSEB 13**

Date: December 8, 2009 3:22 PM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in implementing a more efficient requisition system including one purchasing source from a central location, purchasing in bulk and maintaining adequate inventories of supplies and equipment.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has implemented a new requisition system to provide for more efficiencies leading to a savings of roughly \$14,000 per year beginning in FY 09/10. Since savings are already incorporated into the PSC budget, adoption of this recommendation will provide no additional savings in subsequent budgets.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 13

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP:

November 16, 2009

COMMISSION ACTION: ADOPTED

DATE: November 17, 2009

RECOMMENDATION #: 120

RECOMMENDATION: The Public Service Commission should use one purchasing source with all purchase orders issued from a central location; additionally the agency should make efforts to buy in bulk, maintain an adequate inventory of supplies and equipment, and implement a requisition system for issuance statewide.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Using one purchasing source, all purchase orders are issued from one central location. Every effort is taken to buy in bulk and an adequate inventory of supplies and equipment is maintained. A requisition system for issuance statewide has been implemented.	Implementation headed by Management and Finance Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in implementation of requisition system.	This action was put into effect by the agency through internal review and implementation.	\$13,577 estimated by agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 13

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Use one purchasing source with all purchase orders are issued from one central location. Make efforts to buy in bulk and maintain an adequate inventory of supplies and equipment. Implement a requisition system for issuance statewide.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Use one purchasing source, all purchase orders are issued from one central location. Every effort is taken to buy in bulk and an adequate inventory of supplies and equipment is maintained. A requisition system for issuance of statewide has been implemented.	Implementation headed by Management and Finance Division with Commission wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in implementation of requisition system.	This action was put into effect by internal review and implementation.	\$13,577	done

COMMISSION RECOMMENDATION #121

CSG #121

AGCS #15

The Public Service Commission should reduce agency membership in professional regulatory organizations.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by reducing agency membership in professional regulatory organizations. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

- 11/17/09 - Adopted by the Commission on Streamlining Government
- 11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
- 11/03/09 - Received by the Commission on Streamlining Government
- 10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 121**
Streamlining Draft **AGCSEB 15**

Date: December 15, 2009 9:00 AM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in reducing agency membership in professional regulatory organizations to control costs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission (PSC) indicates that it has reduced membership in a professional regulatory organization, the National Regulatory Research Institute, resulting in a savings of roughly \$41,250 per year beginning in FY 09/10. Since savings are already incorporated into the PSC budget, adoption of this recommendation will provide no additional savings in subsequent budgets. The recommendation will, however, serve as an affirmation to the agency for seeking savings prior to initiation of the Streamlining Commission.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 15
SUBJECT: Public Service Commission **DATE ADOPTED BY ADVISORY GROUP:** November 16, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 121

RECOMMENDATION: The Public Service Commission should reduce agency membership in professional regulatory organizations.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce agency membership in professional regulatory organizations to control costs cost. (Example: National Regulatory Research Institute)	Implementation headed by Executive and Management Divisions with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in reduction of memberships.	This action was put into effect by the agency through internal review and implementation.	\$41,250 estimated by agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #15

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Reduce agency membership in professional regulatory organizations.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce agency membership in professional regulatory organizations due to high cost. (Example: National Regulatory Research Institute)	Implementation headed by Executive and Management Divisions with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in reduction of memberships.	This action was put into effect by internal review and implementation.	\$41,250	done

COMMISSION RECOMMENDATION #122

CSG #122

AGCS #16

The Public Service Commission should continue to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by continuing to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 122**
Streamlining Draft **AGCSEB 16**

Date: December 15, 2009 9:02 AM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in continuing to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage and other associated costs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has implemented measures allowing electronic documentation and filing in an effort to reduce expenses related to office supplies, postage and other related costs. An example of this measure is the filing of voluminous court documents electronically which would alleviate the need for copies and replace many manual processes now in place. Electronic documentation would also result in economies to record retention and archiving. An exact estimate cannot be determined due to the inability to accurately attribute office supplies and related expenses to a single measure. Since these savings are already incorporated into the PSC budget, adoption of this recommendation will provide no additional savings in subsequent budgets unless new measures are undertaken. To the extent that these new measures further reduce office supply and related expenses, PSC expenditures will decline. The PSC is funded 100% by revenue generated by fees for the services provided.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 16

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: November 16, 2009

COMMISSION ACTION: ADOPTED

DATE: November 17, 2009

RECOMMENDATION #: 122

RECOMMENDATION: The Public Service Commission should continue to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Continue to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs.	Implementation headed by Information Technology Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in progress toward electronic documentation and filing.	This action was put into effect by the agency through internal review and implementation.	Agency is unable to quantify currently.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 16

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Continue to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Continue to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs.	Implementation headed by Information Technology Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in progress toward electronic documentation and filing.	This action was put into effect by internal review and implementation.	Unable to quantify due to electronic documentation currently in production	done

COMMISSION RECOMMENDATION #123

CSG #123

AGCS #17

To the extent possible, the Public Service Commission should consolidate multiple investigations within a single subpoena request to reduce enforcement costs.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by consolidating multiple investigations within a single subpoena request to reduce enforcement costs. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 123**
Streamlining Draft **AGCSEB 17**

Date: December 8, 2009 3:23 PM
Dept./Agy.: Public Service Commission
Subject:

Author:
Analyst: Deborah Vivien

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in consolidating multiple investigations into a single subpoena request to reduce enforcement costs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has implemented measures combining multiple investigations into a single subpoena request for an annual savings of about \$3,000. Since savings are already incorporated into the PSC budget, adoption of this recommendation will provide no additional savings in subsequent budgets.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 17

SUBJECT:

Public Service Commission

DATE ADOPTED BY ADVISORY GROUP:

November 16, 2009

COMMISSION ACTION:

ADOPTED

DATE:

November 17, 2009

RECOMMENDATION #:

123

RECOMMENDATION: To the extent possible, the Public Service Commission should consolidate multiple investigations within a single subpoena request to reduce enforcement costs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Whenever possible consolidate multiple investigations into subpoena requests to reduce enforcement cost. (Example: "Do Not Call" Program)	Implementation headed by Do Not Call Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in this initiative.	This action was put into effect by the agency through internal review and implementation.	Approximately \$3,000 annually estimated by agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 17

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Consolidate multiple investigations within a single subpoena request to the extent possible to reduce enforcement costs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Whenever possible we will consolidate multiple investigations into subpoena requests to reduce enforcement cost. (Example: "Do Not Call" Program)	Implementation headed by Do Not Call Division with Commission-wide participation.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in this initiative.	This action was put into effect by internal review and implementation.	Approximately \$3,000 annually	done

COMMISSION RECOMMENDATION #124

CSG #124

AGCS #18

The Public Service Commission should maintain and retain information obtained through the subpoena process in a database to avoid duplication of requests for records that must be purchased.

NARRATIVE:

The Public Service Commission presented documentation to the Commission on Streamlining Government proposing that the agency could reduce its operating costs by maintaining and retaining information obtained through the subpoena process in a database to avoid duplication of requests for records that must be purchased. Eve Kahao Gonzales, Secretary of the Public Service Commission, appeared at the October 27, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. She testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 3, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/03/09 - Received by the Commission on Streamlining Government
10/27/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 124**
Streamlining Draft **AGCSEB 18**

Date: December 15, 2009 9:03 AM	Author:
Dept./Agy.: Public Service Commission	Analyst: Deborah Vivien
Subject:	

Page 1 of 1

This recommendation affirms the actions by the Public Service Commission in maintaining and retaining information obtained through a single subpoena process to avoid duplication of requests for records that must be purchased.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Public Service Commission indicates that it has implemented measures combining multiple investigations into a single subpoena request and consolidated certain investigative procedures. From that action, the agency is able to capture data that precludes duplication of requests that require the purchase of information, which is the subject of this recommendation. Since the savings of roughly \$3,000 per year are already incorporated into the PSC budget, adoption of this recommendation will provide no additional savings in subsequent budgets.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 18
SUBJECT: Public Service Commission **DATE ADOPTED BY ADVISORY GROUP:** November 16, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 124
RECOMMENDATION: The Public Service Commission should maintain and retain information obtained through the subpoena process in a database to avoid duplication of requests for records that must be purchased.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Agency database created to maintain information obtained through subpoena process to avoid duplication of request for records that must be purchased. (Example: "Do Not Call" Program)	Implementation headed by Do Not Call Division.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in reduction of request duplications.	This action was put into effect by the agency through internal review and implementation.	According to the agency this cost savings measure is a combination of the consolidation of investigative procedures, and the savings is reflected in the subpoena reduction measure that is the subject of AGCS#17.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 18

SUBJECT: Public Service Commission

DATE ADOPTED BY ADVISORY GROUP: October 27, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Maintain and retain information obtained through the subpoena process in a database to avoid duplication of requests for records that must be purchased.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Agency database has been created to maintain information obtained through subpoena process to avoid duplication of request for records that must be purchased. (Example: "Do Not Call" Program)	Implementation headed by Do Not Call Division.	The need for a comprehensive review of costs which could be reduced or eliminated; resulted in reduction of request duplications.	This action was put into effect by internal review and implementation.	This cost savings measure is a combination of the consolidation of our investigative procedures, and the savings is reflected in the above referenced "Subpoena Reduction" measure.	done

COMMISSION RECOMMENDATION #125

CSG #125**AGCS #19**

The Office of Coastal Protection and Restoration should continue to integrate the state's existing coastal restoration, hurricane, and flood protection efforts.

NARRATIVE:

The Office of Coastal Protection and Restoration* presented documentation to the Commission on Streamlining Government proposing that the agency could enhance efficiencies by continuing to integrate the state's existing coastal restoration, hurricane, and flood protection efforts. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration*, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

**The executive branch indicates the agency should be the Coastal Protection and Restoration Authority.*

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits PROPOSAL #: AGCS # 19

SUBJECT: Coastal Protection and Restoration DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 125

RECOMMENDATION: The Office of Coastal Protection and Restoration should continue to integrate the state's existing coastal restoration, hurricane, and flood protection efforts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should continue to integrate the state's existing coastal restoration, hurricane, and flood protection efforts.	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	Post-Katrina assessments revealed a need for integration of coastal restoration and hurricane protection programs that had been conducted by separate entities in the past.	Continued internal policy development and improvement of organizational structure.	Consolidation of services; cost efficiencies and a better coordination and management of funds.	done

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 19

SUBJECT: Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: DATE:

RECOMMENDATION:

The Office of Coastal Protection and Restoration should continue to integrate the state's existing coastal restoration, hurricane, and flood protection efforts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	Post-Katrina assessments revealed a need for integration of coastal restoration and hurricane protection programs that had been conducted by separate entities in the past.	Continued internal policy development and improvement of organizational structure.	Consolidation of services; cost efficiencies and a better coordination and management of funds.	done

COMMISSION RECOMMENDATION #126

CSG #126

AGCS #20

The Office of Coastal Protection and Restoration should continue utilizing the support, staff, science and legal services of other agencies to avoid duplication and retain efficiency.

NARRATIVE:

The Office of Coastal Protection and Restoration* presented documentation to the Commission on Streamlining Government proposing that the agency could retain efficiencies and avoid duplication by continuing to utilize the support, staff, science, and legal services of other agencies. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration*, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

**The executive branch indicates the agency should be the Coastal Protection and Restoration Authority and its execution arm, the Office of Coastal Protection and Restoration.*

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 20

SUBJECT: Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP:

November 4, 2009

COMMISSION ACTION: ADOPTED

DATE: November 17, 2009

RECOMMENDATION #: 126

RECOMMENDATION: The Office of Coastal Protection and Restoration should continue utilizing the support, staff, science and legal services of other agencies to avoid duplication and retain efficiency.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should continue utilizing the support, staff, science and legal services of other agencies to avoid duplication and retain efficiency.	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration; Governor's Office, Louisiana institutions of higher education; Departments of Environmental Quality, Wildlife and Fisheries, and Natural Resources; and Attorney General's Office	Limits the need for additional state TOs to conduct services that other entities can readily provide.	No additional legislative action or rule making necessary. Policy changes within the agency and implementing departments may be necessary.	Reduces need for office space, supplies, and compensation. Total estimated savings \$425,000	done

ADVISORY GROUP ON

Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 20

SUBJECT:

Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP:

November 4, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION:

The Office of Coastal Protection and Restoration should continue utilizing the support, staff, science and legal services of other agencies to avoid duplication and retain efficiency.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration; Governor's Office, Louisiana institutions of higher education; Departments of Environmental Quality, Wildlife and Fisheries, and Natural Resources; and Attorney General's Office	Limits the need for additional state TOS to conduct services that other entities can readily provide.	No additional legislative action or rule making necessary. Policy changes within the agency and implementing departments may be necessary.	Reduces need for office space, supplies, and compensation. Total estimated savings \$425,000	done

COMMISSION RECOMMENDATION #127

CSG #127

AGCS #21

The Office of Coastal Protection and Restoration should continue to develop a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianans from hurricane and storm damages.

NARRATIVE:

The Office of Coastal Protection and Restoration* presented documentation to the Commission on Streamlining Government proposing that the agency could enhance efficiencies by continuing to develop a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianans from hurricane and storm damages. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration*, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

**The executive branch indicates the agency should be the Coastal Protection and Restoration Authority and its execution arm, the Office of Coastal Protection and Restoration.*

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 127**
Streamlining Draft **AGCSEB 21**

Date: December 14, 2009 3:52 PM	Author:
Dept./Agy.: Office of Coastal Protection and Restoration	Analyst: Stephanie C. Blanchard
Subject: Develop prioritization tool to guide funding decisions	

Page 1 of 1

Develop prioritization tool to guide funding decisions

The Streamlining Commission recommendation directs the Office of Coastal Protection and Restoration to continue to develop a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianans from hurricane and storm damages.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Coastal Protection and Restoration Authority and Office of Coastal Protection and Restoration will continue to prioritize funding decisions. To the extent investments are made in the highest value projects that benefit the largest populations and the largest acreage of the coastal ecosystem, an increase in effectiveness should result. Additionally, a decrease in time associated with decision making, should result in a decrease in expenditures. Any such cost reductions are not quantifiable at this time.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 21

SUBJECT: Coastal Protection and Restoration DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 127

RECOMMENDATION: The Office of Coastal Protection and Restoration should continue to developing a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianans from hurricane and storm damages.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should continue to developing a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianans from hurricane and storm damages.	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration	Ensure investments are made in the highest value projects that benefit the largest populations and the largest acreage of the coastal ecosystem. Decrease time associated with decision making; increase effectiveness; decrease cumulative land loss.	Continued agency monitoring and development.	Efficiencies only.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 21

SUBJECT: Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION:

The Office of Coastal Protection and Restoration should continue to developing a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianans from hurricane and storm damages.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration	Ensure investments are made in the highest value projects that benefit the largest populations and the largest acreage of the coastal ecosystem. Decrease time associated with decision making; increase effectiveness; decrease cumulative land loss.	Continued agency monitoring and development.	Efficiencies only.	

COMMISSION RECOMMENDATION #128

CSG #128

AGCS #22

The Office of Coastal Protection and Restoration should initiate a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state, and federal agencies involved in hurricane protection and coastal restoration efforts.

NARRATIVE:

The Office of Coastal Protection and Restoration* presented documentation to the Commission on Streamlining Government proposing that the agency could find ways to improve the fulfillment of its mission by initiating a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state, and federal agencies involved in hurricane protection and coastal restoration efforts. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration*, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

**The executive branch indicates the agency should be the Coastal Protection and Restoration Authority and its execution arm, the Office of Coastal Protection and Restoration.*

HISTORY:

- 11/17/09 - Adopted by the Commission on Streamlining Government
- 11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
- 11/10/09 - Received by the Commission on Streamlining Government
- 11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 128**
Streamlining Draft **AGCSEB 22**

Date: December 9, 2009 3:26 PM	Author:
Dept./Agy.: Office of Coastal Protection and Restoration	Analyst: Stephanie C. Blanchard
Subject: Roles and responsibilities	

Page 1 of 1

Determine the appropriate roles and responsibilities of levee districts, parish governments, the state and federal agencies involved in hurricane protection and coastal restoration efforts
The Streamlining Commission recommendation directs the Office of Coastal Protection and Restoration to initiate a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state and federal agencies involved in hurricane protection and coastal restoration efforts.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Coastal Protection and Restoration Authority and Office of Coastal Protection and Restoration will determine the appropriate roles and responsibilities of levee districts, parish governments, the state and federal agencies involved in hurricane protection and coastal restoration efforts. To the extent there is a reduction of duplication of effort and improved coordination among entities, a decrease in expenditures should result. Any such cost reductions are not quantifiable at this time.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits PROPOSAL #: AGCS # 22

SUBJECT: Coastal Protection and Restoration DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 128

RECOMMENDATION: The Office of Coastal Protection and Restoration should initiate a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state, and federal agencies involved in hurricane protection and coastal restoration efforts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should initiate a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state, and federal agencies involved in hurricane protection and coastal restoration efforts.	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration	Reduction of duplication; improved coordination among entities.	Internal agency monitoring and development.	Not determined.	

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 22

SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION:

The Office of Coastal Protection and Restoration should initiate a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state, and federal agencies involved in hurricane protection and coastal restoration efforts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration	Reduction of duplication; improved coordination among entities.	Internal agency monitoring and development.	Not determined.	

COMMISSION RECOMMENDATION #129

CSG #129

AGCS #24

The Coastal Protection and Restoration Authority should ensure that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs.

NARRATIVE:

The Office of Coastal Protection and Restoration presented documentation to the Commission on Streamlining Government proposing that the Coastal Protection and Restoration Authority could reduce costs associated with litigation, project delays, and redesign by ensuring that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 129**
Streamlining Draft **AGCSEB 24**

Date: December 14, 2009 3:44 PM	Author:
Dept./Agy.: Office of Coastal Protection and Restoration	Analyst: Stephanie C. Blanchard
Subject: Independent Technical Review	

Page 1 of 1

Engage in third party, project-level technical review known as Independent Technical Review (ITR)

The Streamlining Commission recommendation directs the Coastal Protection and Restoration Authority to ensure that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Coastal Protection and Restoration Authority and Office of Coastal Protection and Restoration will ensure that the Office of Coastal Protection and Restoration engages in a third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs. To the extent agency's projects are technically sound and cost effective, a decrease in expenditures should result. Any such cost reductions are not quantifiable at this time.

Independent technical reviews have been conducted several times on extraordinarily complex and expensive projects. Members of the review committees are nationally known experts that are chosen for their expertise and provide independent advice. The technical advice and recommendations ensure the state is accomplishing strategies, maximizing environmental benefits and minimizing costs.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 24
SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 129

RECOMMENDATION: The Coastal Protection and Restoration Authority should ensure that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Coastal Protection and Restoration Authority should ensure that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs.	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration	Provides outside, independent review by specialists to assure that the agency's projects are technically sound and cost effective.	Approval by the Coastal Protection and Restoration Authority	Reduces costs associated with litigation, project delays, and redesign.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 24

SUBJECT: Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION:

The Coastal Protection and Restoration Authority should ensure that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/Office of Coastal Protection and Restoration	Provides outside, independent review by specialists to assure that the agency's projects are technically sound and cost effective.	Approval by the Coastal Protection and Restoration Authority	Reduces costs associated with litigation, project delays, and redesign.	

COMMISSION RECOMMENDATION #130

CSG #130

AGCS #25

The Office of Coastal Protection and Restoration should continue to pursue the strategic deployment of mitigation funds to provide quicker start and faster completion of projects.

NARRATIVE:

The Office of Coastal Protection and Restoration* presented documentation to the Commission on Streamlining Government proposing that the agency could reduce the costs of the state's coastal restoration projects by continuing to pursue the strategic deployment of mitigation funds to provide quicker start and faster completion of projects. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration*, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

**The executive branch indicates the agency should be the Coastal Protection and Restoration Authority.*

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 25
SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 130

RECOMMENDATION: The Office of Coastal Protection and Restoration should continue to pursue the strategic deployment of mitigation funds to provide quicker start and faster completion of projects.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should continue to pursue the strategic deployment of mitigation funds to provide quicker start and faster completion of projects.	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	Expedited implementation of coastal restoration efforts; potential elimination of state's cost share for these restoration projects.	Federal statutory, rules, and policy changes.	Potential savings \$250 million, representing the state's 35% cost share.	

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 25

SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION:

The Office of Coastal Protection and Restoration should continue to pursue the strategic deployment of mitigation funds to provide quicker start and faster completion of projects.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	Expedited implementation of coastal restoration efforts; potential elimination of state's cost share for these restoration projects.	Federal statutory, rules, and policy changes.	Potential savings \$250 million, representing the state's 35% cost share.	

COMMISSION RECOMMENDATION #131

CSG #131

AGCS #26

The Office of Coastal Protection and Restoration should continue to reduce the time it takes to complete the contracting process.

NARRATIVE:

The Office of Coastal Protection and Restoration presented documentation to the Commission on Streamlining Government proposing that the agency could improve efficiency by continuing to reduce the time it takes to complete the contracting process. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 26
SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 131

RECOMMENDATION: The Office of Coastal Protection and Restoration should continue to reduce the time it takes to complete the contracting process.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should continue to reduce the time it takes to complete the contracting process.	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	To complete contracting process within a shorter time frame, reducing from 247 days or more to 180 days, thus significantly paring down the time it takes to complete projects undertaken by the agency.	Agency policy changes.	Improved efficiency.	

ADVISORY GROUP ON

Civil Service and Employee Benefits

PROPOSAL #:

ACCS # 26

SUBJECT:

Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP:

November 4, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION:

The Office of Coastal Protection and Restoration should continue to reduce the time it takes to complete the contracting process.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	To complete contracting process within a shorter time frame, reducing from 247 days or more to 180 days, thus significantly paring down the time it takes to complete projects undertaken by the agency.	Agency policy changes.	Improved efficiency.	

COMMISSION RECOMMENDATION #132

CSG #132

AGCS #27

The Office of Coastal Protection and Restoration should work with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project.

NARRATIVE:

The Office of Coastal Protection and Restoration* presented documentation to the Commission on Streamlining Government proposing that the agency could increase the speed at which the agency's mission is carried out, providing coastal restoration and protection more effectively and efficiently, by working with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration*, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

**The executive branch indicates the agency should be the Coastal Protection and Restoration Authority and its execution arm, the Office of Coastal Protection and Restoration.*

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 132**
Streamlining Draft **AGCSEB 27**

Date: December 14, 2009 4:02 PM	Author:
Dept./Agy.: Office of Coastal Protection and Restoration	Analyst: Stephanie C. Blanchard
Subject: Project development and implementation process	

Page 1 of 1

Work with federal partners to improve the project development and implementation process

The Streamlining Commission recommendation directs the Office of Coastal Protection and Restoration to work with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Coastal Protection and Restoration Authority and Office of Coastal Protection and Restoration will continue to work with federal partners to improve the project development and implementation process. To the extent there is a reduction of time between the initiation of a concept and completion of the project, a decrease in expenditures should result. Any such cost reductions are not quantifiable at this time.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 27
SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 132

RECOMMENDATION: The Office of Coastal Protection and Restoration should work with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should work with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project.	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	Increase the speed at which the agency's mission is carried out, providing coastal restoration and protection more effectively and efficiently.	Agency policy changes; cooperation of federal agencies.	Agency's mission will be achieved with greater rapidity.	

ADVISORY GROUP ON

Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 27

SUBJECT:

Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP:

November 4, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION:

The Office of Coastal Protection and Restoration should work with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration	Increase the speed at which the agency's mission is carried out, providing coastal restoration and protection more effectively and efficiently.	Agency policy changes; cooperation of federal agencies.	Agency's mission will be achieved with greater rapidity.	

COMMISSION RECOMMENDATION #133

CSG #133

AGCS #28

The Office of Coastal Protection and Restoration should continue to improve the new project budgeting and management system.

NARRATIVE:

The Office of Coastal Protection and Restoration presented documentation to the Commission on Streamlining Government, proposing that the agency could increase its capability to monitor and manage projects efficiently and effectively by continuing to improve the new project budgeting and management system. Jerome Zeringue, Deputy Executive Director of the Office of Coastal Protection and Restoration, appeared at the November 4, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits. He testified that this was an agency proposal. Representative Jim Morris moved the proposal forward.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 133**
Streamlining Draft **AGCSEB 28**

Date: December 15, 2009 3:21 PM	Author:
Dept./Agy.: Office of Coastal Protection and Restoration	Analyst: Stephanie C. Blanchard
Subject: Project budgeting and management system	

Page 1 of 1

Improve the new project budgeting and management system

The Streamlining Commission recommendation directs the Office of Coastal Protection and Restoration to continue to improve the new project budgeting and management system.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Coastal Protection and Restoration Authority and Office of Coastal Protection and Restoration will continue to improve the new project budgeting and management system called @Task (At Task). This new program links to existing IT software, such as the Strategic Online Natural Resources Information System (SONRIS) at the Department of Natural Resources. To the extent the monitoring and managing of projects is more efficient and effective and there is a reduction of staff time utilized, a decrease in expenditures should result. Any such cost reductions are not quantifiable at this time.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits PROPOSAL #: AGCS # 28

SUBJECT: Coastal Protection and Restoration DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 133

RECOMMENDATION: The Office of Coastal Protection and Restoration should continue to improve the new project budgeting and management system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Coastal Protection and Restoration should continue to improve the new project budgeting and management system.	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration; Department of Natural Resources information technology employees.	Increased capability to monitor and manage projects efficiently and effectively.	Continued collaboration between the agency and the department's technology experts.	Improved efficiency.	

ADVISORY GROUP ON
Civil Service and Employee Benefits

PROPOSAL #:
AGCS # 28

SUBJECT:
Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP:
November 4, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION:

The Office of Coastal Protection and Restoration should continue to improve the new project budgeting and management system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
See full description in document "Top Ten Cost Savings Initiatives Currently Being Implemented by Office of Coastal Protection and Restoration".	Coastal Protection and Restoration Authority/ Office of Coastal Protection and Restoration; Department of Natural Resources information technology employees.	Increased capability to monitor and manage projects efficiently and effectively.	Continued collaboration between the agency and the department's technology experts.	Improved efficiency.	

COMMISSION RECOMMENDATION #134

CSG #134

AGCS #29

The legislature should require that all institutions of higher education bring their tables of organization on budget, to the extent and in the same manner followed by other executive branch agencies.

NARRATIVE:

Information provided by the Department of State Civil Service indicates that nearly half of all executive branch positions and salaries are found in the institutions of higher education. In order to provide more transparency and accountability in the appropriation and expenditure of public funds, the Advisory Group on Civil Service and Employee Benefits proposed at its meeting on November 4, 2009, that the Commission on Streamlining Government should recommend that the legislature should require all institutions of higher education to bring their tables of organization on budget, to the extent and in the same manner followed by other executive branch agencies.

On November 10, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
11/10/09 - Received by the Commission on Streamlining Government
11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 134**
Streamlining Draft **AGCSEB 29**

Date: December 17, 2009 8:54 AM	Author:
Dept./Agy.: Higher Education	Analyst: Kristy F. Gary
Subject: Table of Organization	

Page 1 of 1

The legislature should require that all institutions of higher education bring their Table of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures to bring the Table of Organization of all institutions of higher education on budget. The Board of Regents would need to determine how a single Table of Organization would apply to higher education institutions. Higher education institutions are multifaceted and use a variety of personnel resources, such as adjunct positions, research assistants and have varying degrees of outsourced activities. It is anticipated that including this additional information will promote greater scrutiny of Higher Education's budget and resources and is likely to yield information upon which reasonable efficiencies and cost reductions can be based.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits PROPOSAL #: AGCS # 29

SUBJECT: Higher Education DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 134

RECOMMENDATION: The legislature should require that all institutions of higher education bring their Tables of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should require that all institutions of higher education bring their Tables of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.	Legislature; Board of Regents; higher ed systems	To provide transparency and accountability in the appropriation and expenditure of public funds	Legislative declaration	Increased accountability and transparency in the budgeting process.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 29

SUBJECT: Higher Education

DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: DATE:

RECOMMENDATION:

The legislature should require that all institutions of higher education bring their Tables of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should require that all institutions of higher education bring their Tables of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.	Legislature; Board of Regents; higher ed systems	To provide transparency and accountability in the appropriation and expenditure of public funds	Legislative declaration	Increased accountability and transparency in the budgeting process.	

COMMISSION RECOMMENDATION #135

CSG #135

AGCS #31

The Office of Workforce Development and the Department of State Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.

NARRATIVE:

Howard Sanders, Tia Edwards, and Benny Soulier of the Louisiana Workforce Commission (LWC) Office of Workforce Development appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 4, 2009. They testified regarding the various training programs and other assistance the LWC provides to unemployed or underemployed Louisiana citizens, including rapid response for situations involving an employer going through a reduction in force.

Jean Jones of the State Department of Civil Service testified that the LWC and its predecessor entity, the Louisiana Department of Labor, had worked in the past with state agencies to provide a rapid response for agency layoffs.

Representative Jim Morris proposed that the Office of Workforce Development and the Department of State Civil Service should begin collaborating immediately, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment. The Advisory Group on Civil Service and Employee Benefits advanced this proposal forward to the Commission on Streamlining Government.

On November 10, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which received the proposal. The Advisory Group on Civil Service and Employee Benefits confirmed the proposal at its meeting on November 16, 2009. The Commission on Streamlining Government adopted the recommendation on November 17, 2009.

HISTORY:

- 11/17/09 - Adopted by the Commission on Streamlining Government
- 11/16/09 - Adopted by the Advisory Group on Civil Service and Employee Benefits
- 11/10/09 - Received by the Commission on Streamlining Government
- 11/04/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 135**
Streamlining Draft **AGCSEB 31**

Date: November 30, 2009 12:47 PM **Author:**
Dept./Agy.: Civil Service **Analyst:** Evelyn McWilliams
Subject: Layoff Assistance Plan

NO IMPACT GF EX See Note

Page 1 of 1

The Office of Workforce Development and the Department of Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

The Office of Workforce Development (LWC) and State Civil Service collaborated on a layoff preparation plan to assist state employees seeking employment as a result of workforce reductions. The LWC's Rapid Response Program will be responsible for providing employment and other retraining or readjustment services to displaced state employees. Civil Service will be responsible for connecting state agencies that are facing significant layoffs and their employees with available LWC resources as early as possible. Specific actions agreed on include: LWC providing flyers to Civil Service which give information on LWC services along with LWC's web contact information; LWC making a presentation on how the Rapid Response Program works at the human resources directors' quarterly meeting on January 13, 2010; and Civil Service asking agencies if they would like to include a Rapid Response Team in preliminary discussions, once layoff discussions begin.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 31
SUBJECT: Coastal Protection and Restoration **DATE ADOPTED BY ADVISORY GROUP:** November 4, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 135

RECOMMENDATION: The Office of Workforce Development and the Department of State Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Workforce Development and the Department of State Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.	Louisiana Workforce Commission, Office of Workforce Development; Department of State Civil Service	Orderly reduction in state workforce, if and when it takes place, with a smooth transition for the employees from public service to private sector employment.	Agreement of the agencies.	Reduced anxiety for employees who are laid off; possible savings in unemployment payments if these persons secure employment quickly; possible increase in tax revenue from wages earned and purchases made.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 31

SUBJECT: Coastal Protection and Restoration

DATE ADOPTED BY ADVISORY GROUP: November 4, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION:

The Office of Workforce Development and the Department of Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Office of Workforce Development and the Department of Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.	Louisiana Workforce Commission, Office of Workforce Development; Department of State Civil Service	Orderly reduction in state workforce, if and when it takes place, with a smooth transition for the employees from public service to private sector employment.	Agreement of the agencies.	Reduced anxiety for employees who are laid off; possible savings in unemployment payments if these persons secure employment quickly; possible increase in tax revenue from wages earned and purchases made.	

COMMISSION RECOMMENDATION #136

CSG #136

AGCS #32

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

NARRATIVE:

At the November 9, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits, Representative Jim Morris introduced this proposal. On November 10, 2009, Representative Morris withdrew the proposal before it was acted upon by the Commission on Streamlining Government. At the November 17, 2009, meeting of the Commission on Streamlining Government, Representative Morris moved to reconsider the vote by which the proposal was withdrawn, then amended the proposal, and moved for adoption of the amended recommendation by the Commission. The Commission on Streamlining Government adopted the recommendation.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government
11/17/09 - Motion to withdraw reconsidered by the Commission on Streamlining Government
11/10/09 - Withdrawn by the Commission on Streamlining Government
11/09/09 - Introduced at the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 32
SUBJECT: Elimination of unfilled positions in agencies **DATE ADOPTED BY ADVISORY GROUP:** November 9, 2009
COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 136

RECOMMENDATION: Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.	Executive branch statewide elected officials	To unencumber funds that are not currently being used for the purpose designated by the legislature.	Budget adjustment by elected officials	the amount of the unused funds for salaries and benefits of the unfilled positions allocated to each affected department, amount to be determined.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 32

SUBJECT: Elimination of unfilled positions in agencies

DATE ADOPTED BY ADVISORY GROUP: November 9, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate 75% of those unfilled positions, and return the funds appropriated therefor to the state.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each statewide elected official should determine the number of unfilled positions authorized for the agency in its Table of Organization approved by legislative appropriation, eliminate 75% of those unfilled positions, and return the funds appropriated therefor to the state.	Executive branch statewide elected officials	To unencumber funds that are not currently being used for the purpose designated by the legislature.	Budget adjustment by elected officials	up to 75% of the funds for salaries and benefits of the unfilled positions allocated to each affected department	

COMMISSION RECOMMENDATION #137

CSG #137

Martin #01

Create Office of Behavioral Health within Department of Health and Hospitals to replace the current Office of Mental Health and Office of Addictive Disorders.

NARRATIVE:

In the report submitted by the Department of Health and Hospitals to the Commission on Streamlining Government, the department indicated that the legislature recently passed legislation (Act 348 of the 2009 Regular Session) authorizing the elimination of the Office of Mental Health and the Office for Addictive Disorders as standalone entities, and combining of administrative functions of both areas of care. The two offices within DHH have separate administrators, policies and budgets and operate independently within DHH. This new authority ends the duplication and allows the operation of create a single office that will continue to aggressively pursue best practices for programs that independently serve persons with mental illness and persons with addictive disorders. It will also increase access to the most complete and appropriate care for the significant number of persons with both mental illness and one or more addictive disorders, referred to as co-occurring disorders, which constitute about 50% of each of the current two offices' client populations.

See Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Health and Hospitals, page 21.

At the November 10, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/10/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

10/20/09 - Referred to the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 137**
Streamlining Draft **AGOPRM 01**

Date: December 21, 2009 10:19 AM	Author:
Dept./Agy.: Health and Hospitals	Analyst: Myra Lowe
Subject: Office of Behavioral Health	

Page 1 of 1

This recommendation proposes to create the Office of Behavioral Health within the Department of Health and Hospitals to replace the current Office of Mental Health and Office of Addictive Health.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This recommendation was approved in Act 10 of the 2009 Regular Legislative Session with an implementation date of July 1, 2010. An advisory committee was established to develop an implementation plan to consolidate the administration functions of the state offices of mental health and addictive disorders into the Office of Behavior Health and to submit the plan to the secretary of the Department of Health and Hospitals for adoption by January 31, 2010. The fiscal note prepared by the Legislative Fiscal Office showed potential savings of \$350,000 from the elimination of duplicative executive management positions resulting from the consolidation. For FY 10-11, the agencies could achieve \$295,305 of that savings by not filling an Assistant Secretary position in the Office of Addictive Disorders (\$152,100 Federal) and a Deputy Assistant Secretary position in the Office of Mental Health (\$143,205 SGF). Both of these positions are being vacated in the current fiscal year by employees who are retiring. At this time, the Legislative Fiscal Office is unable to determine if any further savings can be achieved without an approved plan that details the organizational structure for the Office of Behavioral Health.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Roy O. Martin **PROPOSAL #** Martin #01 **REFERRED TO AG on:** OPRM (October 20, 2009)
SUBJECT: DHH behavioral health **DATE REPORTED BY AG:** November 10, 2009 **REPORT:** Amended
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 137

RECOMMENDATION: Create Office of Behavioral Health within Department of Health and Hospitals to replace the current Office of Mental Health and Office of Addictive Disorders.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Create Office of Behavioral Health within Department of Health and Hospitals to replace the current Office of Mental Health and Office of Addictive Disorders.	Dept. of Health and Hospitals	Consolidate	Legislation, Dept. action	\$350,000	Done

MEMBER: Roy O. Martin PROPOSAL# Martin #01 REFERRED TO AG on: OPRM 10/20/09

SUBJECT: Dept. of Health and Hospitals DATE REPORTED BY AG: _____ REPORT: _____

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Create Office of Behavioral Health within Department of Health and Hospitals

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Create Office of Behavioral Health, Dept. of Health and Hospitals	Dept. of Health and Hospitals	Consolidate	Legislation	\$350,000	Done

COMMISSION RECOMMENDATION #138

CSG #138**Martin #02**

Department of Transportation and Development eliminate its airplane.

NARRATIVE:

In the report submitted by the Department of Transportation and Development to the Commission on Streamlining Government, the department indicated that the current photogrammetry (aerial photography) mission is funded primarily from the Aviation Trust Fund (ATF), covering the pilot's salary, benefits, required currency training, aircraft maintenance, fuel, and inspections. The aircraft is "restricted", due to the camera configuration, which means it is limited to only photogrammetry missions – it cannot be used for passenger operations. With the minor exception of photos taken of airports once every few years, the photogrammetry function contributes nothing to the mission of the DOTD Aviation Section in supporting airport improvement projects and airport inspections, for which the ATF funds are intended. The main usage of this photography is for the DOTD legal section and to some extent, the development of plans for highway construction projects.

Several sources of modern technology exist to outsource the photogrammetry function, which would yield the same quality of information currently provided by the photogrammetry mission. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Transportation and Development, page 22)

At the November 10, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/10/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

10/20/09 - Referred to the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 138**
Streamlining Draft **AGMARTIN 2**

Date: November 24, 2009 12:49 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Airplane	

DOTD
Eliminate airplane

Page 1 of 2

Department of Transportation and Development eliminate its airplane.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	(\$139,523)	(\$149,653)	(\$160,187)	(\$171,143)	(\$182,538)	(\$803,044)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$139,523)	(\$149,653)	(\$160,187)	(\$171,143)	(\$182,538)	(\$803,044)
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$864,000	\$0	\$0	\$0	\$0	\$864,000
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$864,000	\$0	\$0	\$0	\$0	\$864,000

EXPENDITURE EXPLANATION

Eliminating the DOTD airplane and outsourcing the aerial photography activity is anticipated to produce a net decrease of annual statutory dedication expenditures in the total amount of \$139,523 and 3 TO positions in FY 11 and a 5-year total expenditure reduction of \$803,044.

Reducing the DOTD airplane is anticipated to reduce \$295,238 of TTF - Reg. expenditures in FY 11 due to the reduction of 3 TO positions and associated expenditures. The specific expenditure reductions are as follows: \$195,986 - personal services, \$57,252 - operating expenses (aviation fuel savings), \$10,000 - professional services (required pilot training), \$17,000 - other charges (plane insurance), \$15,000 - equipment. The subsequent fiscal year impacts assumes a 4% growth rate in personal services and operating services. The positions being eliminated are the pilot and 2 engineering tech positions. The pilot's personal services and associated expenditures are currently funded with TTF - Aviation in the FY 11 projected amount of approximately \$189,000, while the 2 engineering tech positions are funded with TTF - Reg. in the FY 11 projected amount of approximately \$106,000.

To the extent the aerial photography activity within the department is outsourced, DOTD will utilize the expenditure savings realized from reducing 3 TO positions for the professional services contract at a projected cost of \$155,715. (Cont. on pg 2)

REVENUE EXPLANATION

This proposal could increase one-time revenue in the amount of \$864,000 due to the surplus of the DOTD airplane. According to the Division of Administration - Office of Aircraft Services, the current estimated value of the plane is approximately \$864,000 (Aircraft Bluebook Price Digest) while the original cost of the plane was \$1.3 million (1990 King Air purchased by the department in 2001).

To the extent this plane is sold, the revenues generated will accrue to the LPAA. Since the plane was originally purchased with State General Fund, the LPAA typically receives 100% of the proceeds of all items originally purchased with state general fund. All revenues generated to the LPAA are classified as fees and self-generated revenues.

Senate
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 138**
Streamlining Draft **AGMARTIN 2**

Date: November 24, 2009 12:49 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Airplane	

CONTINUED EXPLANATION from page one:

Page 2 of 2

EXPENDITURE EXPLANATION CONTINUED:

Elimination of the DOTD airplane and potentially outsourcing this activity is anticipated to reduce state expenditure in the amount of \$295,238 in FY 11. However, outsourcing this activity is anticipated to increase state expenditure in the amount of \$155,715. Thus, the net impact is anticipated to be \$139,523 in FY 11.

From 2005 to 2008, in which the 4-year average was utilized to calculate the projected outsourcing costs, the flight statistics and contractor quotes are as follows:

Photos Taken - 3,566

Days Up - 31

Projects - 105

Photos Taken Per Project - 34

Contracted Projected cost - \$1,483 (average price quoted to DOTD from 2 different vendors)

DOTD requested price quotes from 2 different vendors, which averaged \$1,483 per trip. This quote included the cost of photos taken, costs associated with the plane and pilot and any other individuals working with the project. To the extent the outsourcing of the aerial photography activity is implemented at the same level as it is currently, the anticipated costs are anticipated to be \$155,715 [$\$1,483 \times 105 = \$155,715$].

NOTE: This estimate is based upon the 4-year average of 34 photos taken per project. To the extent a project requires more than 34 photos, the cost will likely increase.

The expenditure savings would yield additional Transportation Trust Fund (Reg.) and Transportation Trust Fund (Aviation) monies that would be available for other expenditures within the department's operating or capital budgets. TTF - Reg. is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually. TTF - Aviation is a 4% sales tax on the aviation fuel volumes in the state, which generates approximately \$29.8 million annually.

Senate
Dual Referral Rules
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Roy O. Martin **PROPOSAL #** Martin #02 **REFERRED TO AG on:** OPRM October 20, 2009
SUBJECT: DOTD airplane **DATE REPORTED BY AG:** November 10, 2009 **REPORT:** Amended
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 138

RECOMMENDATION: Department of Transportation and Development eliminate its airplane.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development eliminate its airplane.	Department of Transportation and Development	Eliminate	Dept. action	\$600,000	Done

MEMBER: Roy O. Martin PROPOSAL# Martin #02 REFERRED TO AG on: OPRM 10/20/09

SUBJECT: Dept. of Trans. and Dev. DATE REPORTED BY AG: _____ REPORT: _____

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Eliminate airplane

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Eliminate airplane	Dept. of Transportation and Development	Eliminate	Dept. action	\$600,000	Done

COMMISSION RECOMMENDATION #139

CSG #139**Martin #03**

Department of Transportation and Development eliminate four ferry routes (Melville, White Castle, Reserve and New Roads).

NARRATIVE:

In the report submitted by the Department of Transportation and Development to the Commission on Streamlining Government, the department indicated that ferry operations have provided an important travel option to our citizens saving time and money. However, these services are one of the most costly transport services the department provides. The operating cost per vehicle ranges from \$6.65 to \$153.07. The department's cost-benefit analysis indicates the costs associated with the service at three locations (Melville, Reserve, and White Castle) far exceed the user cost savings to the traveling public. For example, the annual estimated cost savings to the users of the White Castle location by not having to drive to the nearest bridge is \$48,460 while the cost to provide the service is \$1.2 million. Keep in mind that only \$10,000 in tolls (50¢ round trip) are collected. In order to break even, the fare would have to be raised to over \$25 per vehicle.

The ferry locations are stipulated by the law which would have to authorize the closures or be repealed. A change to the statutes would be required. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Transportation and Development, page 15-16)

At the November 10, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked first for an amendment to the recommendation to add the ferry at New Roads to the list, then for a favorable adoption. The recommendation was adopted as amended.

HISTORY:

11/17/09 - Amended\Adopted by the Commission on Streamlining Government

11/10/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

10/20/09 - Referred to the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 139**
Streamlining Draft **AGMARTIN 3**

Date: November 23, 2009 2:49 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Elimination of 4 ferry routes	

DOTD Ferries
Elimination of 4 ferry routes

Page 1 of 1

DOTD eliminate four ferry routes (Melville, White Castle, Reserve and New Roads).

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	(\$128,347)	(\$128,347)	(\$128,347)	(\$128,347)	(\$128,347)	(\$641,735)
Ded./Other	(\$5,980,086)	(\$5,980,086)	(\$5,980,086)	(\$5,980,086)	(\$5,980,086)	(\$29,900,430)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$6,108,433)	(\$6,108,433)	(\$6,108,433)	(\$6,108,433)	(\$6,108,433)	(\$30,542,165)
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	(\$128,347)	(\$128,347)	(\$128,347)	(\$128,347)	(\$128,347)	(\$641,735)
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$128,347)	(\$128,347)	(\$128,347)	(\$128,347)	(\$128,347)	(\$641,735)

EXPENDITURE EXPLANATION

Elimination of the ferry routes at Melville, Reserve, White Castle and New Roads is anticipated to reduce total state expenditures approximately \$6.1 million and 41 TO positions, including \$3.2 million in annual operating costs, \$710,500 in maintenance repair & overhead costs, \$520,548 in insurance costs, and \$1.62 million in capital cost. The positions to be reduced include: 22 - Marine Deckhand/Toll Collectors, 1 - Marine Oilers, 8 - Marine Engineers, 7 - Marine Masters, 3 - Marine Operations Supervisors.

See below FY 07 actuals as provided within DOTD's report to the streamline commission:

Location	Toll Collection	Total Cost	Vehicles	Cost/Vehicle
Melville	\$1,467	\$702,445	4,589	\$153.07
Reserve	\$18,968	\$1,701,309	76,167	\$22.34
White Castle	\$10,124	\$1,252,164	43,626	\$28.70
New Roads	\$97,788	\$2,452,515	286,701	\$8.55
TOTAL	\$128,347	\$6,108,433	411,083	\$14.86

The expenditure savings would yield additional Transportation Trust Fund (TTF-Reg.) monies that would be available for other expenditures within the department's operating or capital budgets. The TTF is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

NOTE: Based upon FY 07 actual data, in order for these ferry routes to be self supporting, the cost per vehicle should be increased as follows: \$152.75/vehicle - Melville, \$22.09/vehicle - Reserve, \$28.47/vehicle - White Castle, \$8.21/vehicle - New Roads (total cost less total toll collections).

REVENUE EXPLANATION

By eliminating the 4 ferry routes, the department will not collect approximately \$129,000 of fees and self-generated revenues that are currently generated from toll revenue collections. The current toll rate charged is \$0.50 per vehicle round trip.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Roy O. Martin **PROPOSAL#** Martin #03 **REFERRED TO AG on:** OPRM October 20, 2009
SUBJECT: DOTD ferry routes **DATE REPORTED BY AG:** November 10, 2009 **REPORT:** Amended
COMMISSION ACTION: AMENDED\ ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 139

RECOMMENDATION: Department of Transportation and Development eliminate four ferry routes (Melville, White Castle, Reserve and New Roads).

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development eliminate four ferry routes (Melville, White Castle, Reserve and New Roads).	Department of Transportation and Development	Eliminate	Legislation, Dept. action		Done

MEMBER: Roy O. Martin PROPOSAL# Martin #03 REFERRED TO AG on: OPRM 10/20/09

SUBJECT: Dept. of Trans. & Dev. DATE REPORTED BY AG: _____ REPORT: _____

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Eliminate three ferry routes

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Eliminate three ferry routes	Dept. of Transportation and Development	Eliminate	Legislation	\$1,000,000 annually	Done

COMMISSION RECOMMENDATION #140

CSG #140**Martin #04**

Department of Public Safety and Corrections – Corrections Services outsource their pharmaceutical services.

NARRATIVE:

In the report submitted by the Department of Public Safety and Corrections – Corrections Services to the Commission on Streamlining Government, the department indicated that significant efforts have been made to explore cost saving opportunities through outsourcing of certain services such as pharmaceutical and medical and mental health services. A request for proposal has been initiated for pharmaceutical services. The department has established an evaluation committee and is in the process of reviewing the proposals received. Private companies have toured several of the department's facilities to review healthcare services and obtain information to assess their ability to provide services to the department more cost efficiently without compromising quality of services. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Public Safety and Corrections – Corrections Services, page 8)

At the November 10, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/10/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

10/20/09 - Referred to the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments

MEMBER: Roy O. Martin **PROPOSAL #** Martin #04 **REFERRED TO AG on:** OPRM October 20, 2009

SUBJECT: DPSC - Corrections pharmacy **DATE REPORTED BY AG:** November 10, 2009 **REPORT:** Amended

COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 140

RECOMMENDATION: Department of Public Safety and Corrections – Corrections Services outsource their pharmaceutical services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Public Safety and Corrections – Corrections Services outsource their pharmaceutical services.	Department of Public Safety and Corrections – Corrections Services	Outsource	Dept. action	\$1,200,000	Done

MEMBER: Roy O. Martin **PROPOSAL#** Martin #04 **REFERRED TO AG on:** OPRM 10/20/09
SUBJECT: Dept. of Public Safety/Corr. **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Outsource pharmaceutical services

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Outsource pharmaceutical services	Dept. of Public Safety and Corrections – Corrections Services	Outsource	Department action	\$1,200,000	Done

COMMISSION RECOMMENDATION #141

CSG #141

Martin #05

Department of Public Safety and Corrections – Corrections Services outsource the collection of probation and parole fees.

NARRATIVE:

In the report submitted by the Department of Public Safety and Corrections – Corrections Services to the Commission on Streamlining Government, the department indicated that it is considering privatizing the collection of fees that is currently handled by probation and parole officers. Officers currently spend approximately 30% of their time on the collection of fees, including supervision fees. These fees are important to the department as they constitute about 25% of probation and parole's budget. The use of a private agency to handle the collection of all fees would allow for more of an officer's time to be devoted to supervision, thus enhancing public safety in the community. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Public Safety and Corrections – Corrections Services, page 9)

At the November 10, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/17/09 - Adopted by the Commission on Streamlining Government

11/10/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

10/20/09 - Referred to the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 141**
Streamlining Draft **AGMARTIN 05**

Date: December 17, 2009 9:21 AM	Author:
Dept./Agy.: Corrections	Analyst: Matthew LaBruyere
Subject: Probation & Parole fees	

Page 1 of 2

Proposed recommendation by the Commission on Streamlining Government calls for the Department of Public Safety & Corrections - Corrections Services to outsource the collection of probation and parole fees.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	UNKNOWN	UNKNOWN	UNKNOWN	UNKNOWN	UNKNOWN	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed recommendation will result in an increase in state general fund expenditures if the Department of Corrections enters into a contract with a company that will collect probation and parole fees. Currently, Probation and Parole agents collect these fees as part of their ongoing duties. It is not known whether the contract will be paid for on a percentage basis or a flat contracted amount; however, any such cost will be in addition to costs currently incurred by Probation and Parole.

In the month of October, the Department of Corrections collected approximately 56% of available probation and parole fees. The collection rate of fees from January of 2009 through October of 2009 averaged 62%. In FY 10, Corrections anticipates collecting \$20,460,432 and expects to collect \$16,171,665 in FY 11. However, it should be noted that the anticipated collection of \$20,460,432 includes other fees collected such as victim restitution, court funds, fines, drug abuse funds, confiscated funds, transportation funds, and District Attorney fees, which do not go to Probation and Parole. Probation and Parole expects to collect \$16,000,000 in fees in FY 10.

As of September 9, 2009, there were 66,000 adults under Probation and Parole supervision. Of the 66,000 adults under Probation and Parole supervision, 43,000 are probationers, 3,500 are parolees, and 19,500 are post release (good time parole supervision). Currently, probation fees are \$50 per month and parole fees are \$53 month. According to the Department of Corrections it is not possible to collect all of the fees from probationers and parolees because probationers and parolees are in and out of jail, in and out of treatment, and in and out of work, reducing their ability to pay. The population works in lower paid jobs and cannot always pay the fees. There is case law that does not allow an offender to have probation or parole revoked if he/she is unable to pay fees.

According to the Department of Corrections, the inability to collect all fees is a result of the inability of probationers and parolees to pay their fees and is not due to the number of probation and parole agents. In some cases judges do not order probation/parole fees to be collected, and both judges and the Parole Board can order fees waived, reduced, or order community service in lieu of fees.

(Continued on Page 2)

REVENUE EXPLANATION

It is unknown if a contractor could collect a higher percentage of probation and parole fees since, according to the department, failure to pay fees is at least partly due to the inability to pay such fees. By issuing an RFP, the Department of Corrections can determine if it is cost effective to enter into a contract for the collection of probation and parole fees. If additional fees to cover the cost of private collection are not collected, then less revenue would be available to Probation & Parole to continue operating at the current level.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 141**
Streamlining Draft **AGMARTIN 05**

Date: December 17, 2009 9:21 AM	Author:
Dept./Agy.: Corrections	Analyst: Matthew LaBruyere
Subject: Probation & Parole fees	

CONTINUED EXPLANATION from page one:

Page 2 of 2

Currently, there are 797 T.O. in Field Services of Adult Probation & Parole. Of the 797 T.O., 472 are funded by state general fund and 325 are funded by self-generated revenue. Of these same 797 T.O., 523 are probation and/or parole agents.

According to the Department of Corrections, there would be no cost savings associated with this recommendation. With this recommendation, privatizing collections would allow Probation and Parole agents more time to dedicate to supervising cases rather than collecting fees. The current caseload is one agent per 125 probationer/parolees, which is the second highest caseload in the South.

The cost of contracting a private firm to collect probation and parole fees is unknown. The recommendation would go through an RFP and Corrections can decide if it is cost effective to enter into a contract.

To the extent that the contractor maintains the same collection rate as the Department of Corrections, there would be an increase in state general fund expenditures because probation and parole agents currently collect these fees as part of their ongoing duties.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Roy O. Martin **PROPOSAL#** Martin #05 **REFERRED TO AG on:** OPRM October 20, 2009
SUBJECT: Probation & parole fees **DATE REPORTED BY AG:** November 10, 2009 **REPORT:** Amended
COMMISSION ACTION: ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 141

RECOMMENDATION: Department of Public Safety and Corrections – Corrections Services outsource the collection of probation and parole fees.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Public Safety and Corrections – Corrections Services outsource the collection of probation and parole fees.	Department of Public Safety and Corrections – Corrections Services	Outsource	Dept. action	\$3,733,500	Done

MEMBER: Roy O. Martin PROPOSAL # Martin #05 REFERRED TO AG on: OPRM 10/20/09

SUBJECT: Dept. of Public Safety & Corr DATE REPORTED BY AG: _____ REPORT: _____

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Outsource collection of probation and parole fees

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Outsource collection of probation and parole fees	Dept. of Public Safety and Corrections – Corrections Services	Outsource	Department action	\$3,733,500	Done

COMMISSION RECOMMENDATION #142

CSG #142**Martin #06**

Governor's Office of Homeland Security and Emergency Preparedness explore outsourcing commodity inventory while maintaining the same quality of emergency preparedness.

NARRATIVE:

In the report submitted by the Governor's Office of Homeland Security and Emergency Preparedness to the Commission on Streamlining Government, the agency indicated that it maintains an inventory of 1.8 million meals and 1.8 million bottles of water to provide life sustaining emergency meals during times of disaster as witnessed during Hurricane's Katrina, Rita, Gustav and Ike. Both of these commodities will eventually expire and need to be replaced. GOHSEP is estimating that the existing stock of commodities will expire in fiscal year 2011. In order to maintain a minimum level of meals and water during times of disaster, instead of replacing these meals with other meals that will eventually expire at a cost of seven dollars a meal on average, it would be more feasible and cost effective to contract this service out to a private vendor. Cost estimates to replace our existing inventory with a base level of 500,000 meals and bottles of water will cost the state approximately \$3,500,000 and will need to be replaced within four years. Initial estimates for contracting this same service with a private vendor is approximately \$2,000,000 in which the vendor will guarantee deliver of the commodities over a five year period within 48 hours of being requested. The decision to procure commodities for major disasters, such as hurricanes, is usually made 60 hours before landfall is made. The 48 hours to provide delivery will be more than sufficient to meet the critical needs of the state. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Governor's Office of Homeland Security and Emergency Preparedness, pages 3-4)

At the November 10, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 17, 2009, and asked first for an amendment to the recommendation, then for a favorable adoption. The recommendation was adopted as amended.

HISTORY:

11/17/09 - Amended\Adopted by the Commission on Streamlining Government

11/10/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

10/20/09 - Referred to the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 142**
Streamlining Draft **AGMARTIN 06**

Date: December 21, 2009 10:18 AM	Author:
Dept./Agy.: GOSHEP	Analyst: Travis McIlwain
Subject: Commodity Inventory	

Page 1 of 1

Governor's Office of Homeland Security and Emergency Preparedness (GOSHEP) explore outsourcing commodity inventory while maintaining the same quality of emergency preparedness.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Due to the recommended on-hand commodity inventory level being reduced from 2.1 million MREs (meals ready to eat) and 4.2 million bottles of water to 550,000 MREs and 1.1 million bottles of water, outsourcing the storage function to a vendor will not be cost effective. GOSHEP originally projected cost savings by outsourcing 1/4 of its commodity inventory for MREs (meals ready to eat) and bottled water at the optimal level of state inventory (2.1 million MREs & 4.2 million bottles of water), which equates to a vendor being responsible for 500,000 MREs and 1.1 million bottled water. However, GOSHEP, DSS and Louisiana National Guard have determined that the recommended overall inventory level for the state should be 1.1 million bottles of water and 550,000 MREs, which represents a medium risk level.

According to GOSHEP, the vendor proposed a \$2.0 million contract (up front cost that does not include MRE and water purchases) over a 5-year period to maintain 500,000 MREs, while GOSHEP has determined that they could achieve the goal of 550,00 MREs, with a projected cost of approximately \$1.0 million annually to purchase the necessary MREs and bottled water plus the personal services expenditures of 5 staff positions (2 - GOSHEP, \$113,344 salaries/related benefits, 3 - LNG, \$157,582-approximately 30% of this amount is charged for commodity inventory functions).

In addition, due to the reduced inventory levels, GOSHEP will close one of its warehouses in Port Barre for annual cost savings of \$266,500 (after the 2010 storm season). The anticipated cost by fiscal year is as follows: FY 11 - \$1.1 million, FY 12 - \$1.5 million, FY 13 - \$0.8 million, FY 14 - \$0.8 million, FY 15 - \$0.8 million. FY 12 is higher because GOSHEP currently has approximately 2.4 million in MREs remaining from Gustav/Ike events that are currently scheduled to expire in FY 12. Thus, more MREs will need to be replenished in order to achieve the recommended 550,000 MRE level. The per MRE cost is approximately \$5.00/meal to \$7.00/meal and the cost per bottled water is approximately \$0.18/bottle. The MRE shelf-life is 3 years.

NOTE: To the extent the state has an event within the next five years, the annual \$1.0 million expenditure may not be needed due to FEMA providing such resources to the state as a designated presidential declared disaster area. Thus, the state could have left over supplies as it currently has from Gustav and Ike. If such an event were to occur, GOSHEP will analyze its remaining inventory and determine the level of inventory investment needed annually.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Roy O. Martin **PROPOSAL #** Martin #06 **REFERRED TO AG on:** OPRM October 20, 2009

SUBJECT: Homeland Security commodity inventory **DATE REPORTED BY AG:** November 10, 2009 **REPORT:** Amended

COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** November 17, 2009 **RECOMMENDATION #:** 142

RECOMMENDATION: Governor's Office of Homeland Security and Emergency Preparedness explore outsourcing commodity inventory while maintaining the same quality of emergency preparedness.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Governor's Office of Homeland Security and Emergency Preparedness explore outsourcing commodity inventory while maintaining the same quality of emergency preparedness.	Governor's Office of Homeland Security and Emergency Preparedness	Outsource	Agency action, RFP	\$2,000,000	Done

MEMBER: Roy O. Martin **PROPOSAL #** Martin #06 **REFERRED TO AG on:** OPRM 10/20/09
SUBJECT: Homeland Security **DATE REPORTED BY AG:** REPORT:
COMMISSION ACTION: DATE:

RECOMMENDATION: Outsource commodity inventory control

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Outsource commodity inventory control	Governor's Office of Homeland Security and Emergency Preparedness	Outsource	Agency action	\$2,000,000	Done

COMMISSION RECOMMENDATION #143

CSG #143

AGEB #5

Provide that a Louisiana state prisoner, who does not have a high school diploma or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall have made available to him a program designed to help him pass the GED.

NARRATIVE:

At the September 8, 2009, meeting of the Advisory Group on Efficiency and Benchmarking, Mr. John Kennedy provided information concerning education programs provided to those persons incarcerated in Louisiana penitentiaries. Mr. Kennedy stated he understood that \$5,000,000 a year (less than 2% of the budget) was spent on prisoner education. Mr. Thomas Bickham, representing the Department of Public Safety and Corrections, stated that was correct. Mr. Kennedy asked why Louisiana has the highest incarceration rate in America to which Mr. Bickham stated some of it had to do with the fact that Louisiana had a very high crime rate and lot of it had to do with some of the sentencing guidelines and a lot of it was the recidivism rate too. Mr. Kennedy stated Louisiana had one of the lowest cost per day per prisoner in the south. If crime and literacy had a direct correlation, his guess was that more than 95% of the inmates had a high school education or less. Mr. Bickham stated that was a safe assumption. Mr. Kennedy asked why wasn't more money being spent helping prisoners get up to speed in terms of education. The average inmate would spend 12 years in prison. Mr. Bickham answered first priority was public safety. He has to provide a safe environment for the offenders as well as for the staff. He understands the importance of education and that something had to be done to get the recidivism rate down. Mr. Kennedy stated crime was complicated and he thought most experts would agree that a substantial contributor to crime was a lack of education. Mr. Kennedy wanted to propose a recommendation which said an inmate would never be eligible for probation or parole unless they passed the GED. The department would be required to provide GED programs. He understood they had them but there were waiting lists and if someone had a disability and couldn't pass the GED, the department would promulgate regulations to account for that. Mr. Bickham stated it would be very ambitious and looking at the average educational level of the people in the system, it would take a lot of time and effort. Mr. Kennedy stated the average educational level was about fourth grade. Mr. Kennedy stated about 12 years. If they had the mental ability, they wouldn't get out until they got their GED. Mr. Bickham stated it was an incentive. It wasn't not necessarily just the GED. He also had vocational training. One didn't necessarily need a GED to go through that program. Mr. Kennedy stated the reason he didn't add vocation training was because it was more complicated. He wouldn't want to put in a requirement to have vocational training and then they were taught to cut grass. Mr. Bickham stated education was one of they keys to dropping the recidivism rate. Mr. Bickham stated the biggest issue was resources because of the 15,000 people that were released from the system every year, 11,000 were at the local level. It would take a large amount of resources to be able to put those educational opportunities at the local parish jails. Mr. Kennedy stated crime and illiteracy correlated but nothing was done about it as the state only spent less than 2% of the budget to remedy a situation that would cut the recidivism rate. Mr. Hardman stated education was very important. Mr. Hardman stated everyone deserved a chance and he believed that people were a product of the environment they grew up in. Mr. Bickham stated he would agree that anything that could be done before a person was incarcerated would probably pay the biggest

dividends. Mr. Gomez asked if the proposal would supercede normal release. If a person were serving 10 years and they served 10 years, would they be released even without a GED. Mr. Kennedy answered correct. Mr. Gomez stated they would just not be paroled or probated. It really did not affect what Mr. Hardman was talking about. It would still be the same prison population but it would release those early that would fit the program. Mr. Napper asked what was the annual cost of incarceration of a prisoner in Louisiana. Mr. Bickham answered it was about \$14,400 a year. Mr. Napper asked if there were inmates who wished to take some type of educational program who did not have the opportunity. Mr. Bickham answered in the adult institutions of the roughly 38,000 offenders in the system, 18,000 were at the local level. They were serving time in either parish or local jails for which he paid the sheriff a per diem to operate and they didn't necessarily have the opportunities that the people in adult institutions had. The adult institutions had the opportunity to apply for them but there were back logs. Mr. Kennedy offered the recommendation to which Mr. Hardman made an objection. The roll was called and the vote was three yeas and one nay and the recommendation was adopted. (Advisory Group on Efficiency and Benchmarking Minutes, 9/8/2009)

The recommendation was considered by the Commission on Streamlining Government on November 17, 2009. Mr. Kennedy provided information to the commission concerning the recommendation and specifically referenced several studies which showed that there was a reduction in the recidivism rate when such a program was offered to an offender. Mr. Kennedy then discussed the issue of the fiscal note and whether it would be necessary to hire more teachers or if the offenders could use more web based alternatives to learn the GED material. Mr. Kennedy then noted the 50% recidivism rate and he believed that this would be a savings of roughly \$19,000,000. He further stated that this does not include the cost of the crime and therefore the savings would be even greater. Mr. Donahue questioned whether requiring inmates to remain in prison longer would result in more space needed and higher costs. Mr. Kennedy stated he believed that inmates would want to enroll in these programs and the savings would far outweigh any costs associated with making the programs available. Mr. Kennedy offered an amendment to remove the language associated with requiring completion of the program as a prerequisite for probation or parole. The amendment was adopted without objection. The amended recommendation was adopted without objection. (Commission on Streamlining Government Meeting, 11/17/09)

HISTORY:

11/17/09 - Amended and adopted by the Commission on Streamlining Government
10/26/09 - Reported confirmed by the Advisory Group on Efficiency and Benchmarking
10/13/09 - Received by the Commission on Streamlining Government
09/08/09 - Adopted by the Advisory Group on Efficiency and Benchmarking

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 143**
Streamlining Draft **AGEB** **5**

Date: December 21, 2009 11:10 AM	Author:
Dept./Agy.: Corrections	Analyst: Matthew LaBruyere
Subject: GED Program	

Page 1 of 2

Proposed recommendation by the Commission on Streamlining Government calls for the Department of Public Safety & Corrections - Corrections Services provide that a Louisiana state prisoner who does not have a high school diploma or who has not passed the General Education Development test (GED) certifying that he has an American high school academic skills, shall have made available to him a program designed to help him pass the GED.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed recommendation by the Commission on Streamlining Government that calls for the Department of Corrections to provide offenders lacking a high school diploma or GED the available programs to help him/her pass the GED is currently in operation at all 12 state facilities. For FY 09, 39 teachers in 12 state facilities taught over 4,500 offenders, with 856 offenders completing the program. Offenders interested in participating in educational programs must apply for enrollment. Enrollment in educational programs are based on a priority basis with offenders within three years of their work release eligibility date given top priority.

Prior to enrollment in a program, each offender is screened and assessed using the Test of Adult Basic Education (TABE) to ensure the offender is placed in the appropriate program. Educational programs allow for flexible scheduling so the offender can enter the program at any time and proceed at his/her own pace. All of the educational programs apply a written, standardized competency based curriculum with the appropriate materials and classroom resources. Once enrolled in an ABE/GED program, offenders are tested quarterly to measure academic progress.

To the extent that the recommendation includes state offenders housed in local prisons, there would be an increase in state general fund expenditures. Most offenders housed in local facilities do not have access to educational programs, thus additional teachers would be needed to educate offenders in local facilities. The number of additional teachers needed is indeterminable, however any increase in teachers would result in an increase in state general fund expenditures. There are almost 20,000 offenders housed in 122 local facilities around the state with state offender populations ranging from 910 in Jackson Parish to 1 in the Ville Platte City Jail. The disparity in numbers of offenders at each local facility presents logistical difficulties in estimating the number of teachers necessary to provide sufficient instruction while minimizing excess teaching capacity due to likely negligible numbers of participating offenders at certain facilities.

The same problem is realized when determining the number of additional GED tests to be given each year. It would depend on how many offenders enrolled and prepared to take the GED. Any increase in GEDs in a given year will lead to an increase in state general fund expenditures.

(Continued on page 2)

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 143**
Streamlining Draft **AGEB** **5**

Date: December 21, 2009 11:10 AM	Author:
Dept./Agy.: Corrections	Analyst: Matthew LaBruyere
Subject: GED Program	

CONTINUED EXPLANATION from page one:

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An alternative to reduce costs associated with providing educational programs to state offenders housed in local facilities could be the use of distance learning. The states of Washington and Ohio both offered instruction through distance learning and achieved different results. Washington employed a system that allowed offenders to watch instructional tapes in a group or alone. The offenders in Washington were not able to concentrate and keep up with the instructional tapes. Offenders in Washington preferred hands-on instruction that allowed them to move at their own pace.

Ohio used a system that would broadcast a teacher in one classroom to other facilities around the state. Offenders in other facilities were able to ask questions via the broadcast as well. However, Ohio did keep a teacher in each classroom to assist offenders. Ohio has stopped using the system because of out-of-date equipment, but would use the system again if the funding was available for new technology. The costs to implement either of these distance learning systems is indeterminable but anticipated to be significant.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Efficiency and Benchmarking PROPOSAL #: AGEB # 5

SUBJECT: Department of Public Safety and Corrections - GED Program DATE ADOPTED BY ADVISORY GROUP: September 9, 2009

COMMISSION ACTION: AMENDED / ADOPTED DATE: November 17, 2009 RECOMMENDATION #: 143

RECOMMENDATION: Provide that a Louisiana state prisoner, who does not have a high school diploma or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall have made available to him a program designed to help him pass the GED.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Provide that a Louisiana state prisoner, who does not have a high school diploma or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall have made available to him a program designed to help him pass the GED.	Legislature	To reduce the recidivism rate in the state prisons thereby reducing the state funds expended on incarceration.	Legislation		

ADVISORY GROUP ON Efficiency and Benchmarking **PROPOSAL#:** AGEB # 5
SUBJECT: Corrections/GED For Probation/Parole **DATE ADOPTED BY ADVISORY GROUP:** 9-8-09
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: To provide that a Louisiana state prisoner, except those determined to have certain disabilities, who does not have a high school diploma, or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall not be eligible for probation or parole until he has passed the GED through a program offered by the Louisiana Department of Public Safety and Corrections. To provide funds to the Department of Public Safety and Corrections for this responsibility.

Summary Description/Nature of Change	Key Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/Study
To provide that a Louisiana state prisoner, except those determined to have certain disabilities, who does not have a high school diploma, or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall not be eligible for probation or parole until he has passed the GED through a program offered by the Louisiana DPSC. To provide funds to the DPSC for this responsibility.	Legislature	To reduce the recidivism rate in the state prisons thereby reducing the state funds expended on incarceration.	Statutory amendment		

Louisiana has the highest incarceration rate in the world, and 50% of the state's inmates return to prison within five years. Crime, recidivism and illiteracy correlate. The Louisiana Department of Public Safety and Corrections spends only \$5 million a year (less than 2% of its budget) on prisoner education. The Louisiana Streamlining Government Commission recommends to the governor and the Louisiana Legislature that Louisiana law be changed to provide that a Louisiana state prisoner who does not have a high school diploma, or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall not be eligible for probation or parole until he has passed the GED through a program offered by the Louisiana Department of Public Safety and Corrections. The Commission also recommends that appropriate funding be provided to the department for this responsibility and that the department be directed to promulgate appropriate rules and regulations to implement this program, including provisions exempting those inmates who are determined to have disabilities that prevent them from passing the GED.

COMMISSION RECOMMENDATION #144

CSG #144

AGOPRM #37

Reduce the number of Department of Transportation and Development districts by at least two districts.

NARRATIVE:

At the September 30, 2009, meeting of the Advisory Group on Outsourcing, Privatization and Risk Management, there was some lengthy discussion between Mr. Roy Martin and Secretary William Ankner, Department of Transportation and Development, about the various highway districts throughout the state, with some emphasis on the relatively low usage rates on some of the equipment, particularly the more expensive road maintenance equipment. (Advisory Group on Outsourcing, Privatization and Risk Management meeting September 30, 2009, pages 9-10)

At the November 17, 2009, meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 144**
Streamlining Draft **AGOPRM 37**

Date: December 7, 2009 3:15 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: District Operations	

DOTD
District Operations

Page 1 of 2

Reduce the number of DOTD districts by at least 2 districts.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Reducing the number of DOTD districts by at least two district offices is anticipated to reduce Transportation Trust Fund (TTF) expenditures by an indeterminable amount. Preliminary analysis by the department indicates the potential to save approximately \$2.27 million in salaries and related benefits and 31 TO positions. This estimation is based upon the consolidation of the Chase and Monroe offices and the Lafayette and Lake Charles offices. DOTD has identified 31 duplicative management positions that could be reduced as a result of these consolidations. Those positions include: 2 district administrators, 2 assistant district administrator engineers, 2 assistant district administrators business, 2 district administrators' administrative assistants, 2 assistant district administrator engineering-administrative, 2 assistant district administrator business administrative assistant, 1 program delivery/design engineer, 2 construction coordinator engineers, 2 training specialists, 4 administrative coordinators, 1 administrative program manager, 1 permit/utility, 2 human resources analyst, 1 IT specialist, 2 administrative managers, 3 engineering techs. The LFO requested additional information concerning the specific locations of the proposed 31 TO reductions. However, DOTD has indicated that this proposal is still under further review.

Some of the variables that have to be analyzed by the department to determine the impact of reducing 2 district offices include: 1.) construction projects in the areas still administered by DOTD, 2.) maintenance on the state roads in the areas, 3.) specific increases in expenditures of the other 7 remaining district offices that must now perform the work of the 2 offices reduced, 4.) impact upon the response time to customer needs and requests, 5.) the number of positions that would transfer from the 2 offices being reduced to the remaining district offices, 6.) the disposition of buildings those previous district offices occupied. DOTD indicates that the anticipated savings as a result of this proposal will likely be administrative costs associated with the reduction of high-level TO positions.

Other administrative areas that should be analyzed for potential consolidation includes other "back office" functions of the district operations offices. Although the proposed consolidation by the department includes various high-level administrative positions that could be reduced, there are other back office positions, such as human resources and accounting positions at the district offices that could also be eliminated as a result of district operation consolidation. However, the amount of the savings will depend upon the degree of consolidation/elimination that can ultimately be achieved. **(continued on page 2)**

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 144**
Streamlining Draft **AGOPRM 37**

Date: December 7, 2009 3:15 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: District Operations	

CONTINUED EXPLANATION from page one:

Page 2 of 2

DOTD currently has 145 total back office positions filled at the 9 district offices. Examples and number of back office positions include: administrative coordinators/assistants - 90 filled positions, accounting - 27 filled positions, human resources - 17 filled positions, IT support - 11 filled positions.

DOTD currently has 9 district offices (New Orleans - \$33.9 M & 347 positions, Lafayette - \$32.8 M 279 positions, Bossier City/Shreveport - \$25.2 M & 203 positions, Monroe - \$23.9 M & 215 positions, Lake Charles - \$24.5 M & 163 positions, Alexandria - \$25.0 M & 204 positions, Chase - \$15.8 M & 139 positions, Baton Rouge - \$28.6 M & 208 positions, Hammond - \$26.6 M & 240 positions) with total costs of approximately \$236.1 million and 1,998 TO positions (FY 09 prior year actuals).

The expenditure savings would yield additional Transportation Trust Fund (TTF-Reg.) monies that would be available for other expenditures within the department's operating or capital budgets. The TTF is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON **OUTSOURCING, PRIVATIZATION & RISK MGMT** **PROPOSAL #:** **AGOPRM #37**
SUBJECT: **Highway districts** **DATE ADOPTED BY ADVISORY GROUP:** **November 17, 2009**
COMMISSION ACTION: **ADOPTED** **DATE:** **November 18, 2009** **RECOMMENDATION #:** **144**

RECOMMENDATION: Reduce the number of Department of Transportation and Development districts by at least two districts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce the number of Department of Transportation and Development districts by at least two districts.	Department of Transportation and Development	Reduction	Agency action	Eliminating 2 districts and absorbing related functions should save \$50 million	Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT PROPOSAL #: AGOPRM #37

SUBJECT: Highway districts DATE ADOPTED BY ADVISORY GROUP: November 17, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Reduce the number of Department of Transportation and Development districts by at least two districts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce the number of Department of Transportation and Development districts by at least two districts.	Department of Transportation and Development	Reduction	Agency action	Eliminating 2 districts and absorbing related functions should save \$50 million	Done

COMMISSION RECOMMENDATION #145

CSG #145

AGOPRM #38

Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.

NARRATIVE:

At the September 30, 2009, meeting of the Advisory Group on Outsourcing, Privatization and Risk Management, Mr. Roy Martin and Secretary William Ankner, Department of Transportation and Development, discussed at length issues related to the current policy of the department regarding testing labs and the delays associated with getting test results back from the labs in a timely manner. Mr. Martin stated that the number one complaint from different engineering firms of our state involves the testing labs. They feel like they are negatively impacted on their construction jobs by the turn around times at the testing labs. They claim the time is three weeks for getting the test samples tested and the test results back. They claim that in-house testing labs have a turn around time of three to four days and that is something that should be addressed by the department. (Advisory Group on Outsourcing, Privatization and Risk Management meeting September 30, 2009, pages 7-8)

At the November 17, 2009, meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 145**
Streamlining Draft **AGOPRM 38**

Date: December 9, 2009 9:12 AM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Lab Services	

DOTD

Page 1 of 1

Testing labs

DOTD out source all testing labs to private labs outfitted to perform all testing.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Requiring DOTD to out source all testing labs to private labs outfitted to perform all testing is indeterminate and dependent upon the results of a bid process. According to DOTD, each district operations office has a lab, which costs approximately \$5.4 million and 94 positions annually based upon FY 09 prior year actual data. To the extent a full out sourcing of this service is implemented, there could be savings associated with the potential elimination of these positions. However, based upon federal obligations, DOTD contends that a complete out sourcing of lab services is not possible because DOTD is the only lab in the state currently that is certified to perform all of the required tests. Although the cost savings attributed to the potential elimination of positions is known, any net savings to be realized is dependent upon the results of the bid process and costs associated with a contractor providing the same services.

DOTD is analyzing the possibility of out sourcing two district office labs. DOTD is in the process of developing an RFP to perform such services. Other issues to consider by the department include: 1.) the process of private labs being certified by DOTD and the federal government to provide such tests as an out sourced entity, 2.) the potential results of consolidating/eliminating district offices and its impact upon the lab services.

Below is a list of FY 09 prior actual data of the various labs' TO positions and total expenditures by district office location: New Orleans - 11, \$672,128, Lafayette - 12, \$745,824, Bossier City/Shreveport - 10, \$163,498, Monroe - 8, \$507,964, Lake Charles - 13, \$880,937, Alexandria - 10, \$581,912, Chase - 9, \$540,080, Baton Rouge - 11, \$704,898, Hammond - 10, \$584,157.

The means of financing impacted is the Transportation Trust Fund, which is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON **OUTSOURCING, PRIVATIZATION & RISK MGMT** **PROPOSAL #:** **AGOPRM #38**
SUBJECT: Highway testing labs **DATE ADOPTED BY ADVISORY GROUP:** November 17, 2009
COMMISSION ACTION: **ADOPTED** **DATE:** November 18, 2009 **RECOMMENDATION #:** 145

RECOMMENDATION: Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.	Department of Transportation and Development	Outsource	Agency action; RFP	Estimated \$3 million	Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT PROPOSAL #: AGOPRM #38

SUBJECT: Highway testing labs DATE ADOPTED BY ADVISORY GROUP: _____

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.	Department of Transportation and Development	Outsource	Agency action; RFP	Estimated \$3 million	Done

COMMISSION RECOMMENDATION #146

CSG #146

AGOPRM #39

Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.

NARRATIVE:

At the September 30, 2009, meeting of the Advisory Group on Outsourcing, Privatization and Risk Management, Mr. Roy Martin and Secretary William Ankner, Department of Transportation and Development, discussed outsourcing maintenance operations to the private sector and selling production equipment not used except for emergency equipment. (Advisory Group on Outsourcing, Privatization and Risk Management meeting September 30, 2009, page 3) There are also numerous references to this issue in the department's report to the Commission on Streamlining Government. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Transportation and Development)

At the November 17, 2009 meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 146**
Streamlining Draft **AGOPRM 39**

Date: December 7, 2009 4:02 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Maintenance Operations	

DOTD
Maintenance Operations

Page 1 of 1

DOTD out source maintenance operations to the private sector and sell production equipment not used except for emergency equipment.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The cost by requiring DOTD to outsource all maintenance operations to the private sector is indeterminable and dependent upon the costs the private sector charges DOTD for a specific maintenance job. Based upon FY 09 prior year actuals, DOTD expended approximately \$146.8 million on maintenance costs of which approximately 22% was outsourced at a cost of \$32.0 million per year and 78% was conducted in-house for a cost of \$114.7 million with 1,998 positions. Approximately \$93.8 million is associated with personal services costs (salaries & related benefits).

For illustrative purposes, based upon DOTD cost projections, the cost to DOTD to contract mowing services is approximately \$35 per acre, while the average cost to DOTD ranges from \$15 - \$20 per acre. However, mowing is only specific example and is not representative of what the impact could be if additional in-house maintenance activities are outsourced. The current maintenance activities that are either fully outsourced or partially outsourced include: guardrail repair, attenuator repair, rest area maintenance & security, sweeping, tree removal, drainage projects, pavement markings, ditch cleaning, handrail repair, loop repair, bridge deck drains, and bridge preservation.

DOTD currently utilizes the Buy Back Program to provide for its annual maintenance equipment needs. The Buy Back Program allows DOTD to annually budget approximately \$14.0 million for these purchases. The process involves DOTD negotiating a buy back rate with the vendor in which after one year of equipment usage, the department sells the equipment back to the vendor at the negotiated price. This process allows DOTD to have access to newer equipment annually at approximately the same costs each year. If this recommendation is implemented, there will likely not be a need for the \$14.0 million annually appropriated for this program. However, if Buy Back Program is eliminated, DOTD will not generate revenues from selling the equipment back to the vendor. Thus, this recommendation could largely eliminate the need for the Buy Back Program within DOTD. Elimination of this program should not result in a significant net impact to either expenditures or revenues.

REVENUE EXPLANATION

To the extent DOTD surpluses its production equipment, state revenue will be generated. The Louisiana Property Assistance Agency (LPAA) will receive 20% of the proceeds, while DOTD will receive 80% of the proceeds generated. The amount of revenue generated is dependent upon the auction price of the equipment. As discussed above, the amount currently appropriated for the Buy Back Program is approximately \$14.0 million.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON _____ OUTSOURCING, PRIVATIZATION & RISK MGMT _____ PROPOSAL #: _____ AGOPRM #39 _____

SUBJECT: _____ Highway maintenance operations _____ DATE ADOPTED BY ADVISORY GROUP: _____ November 17, 2009 _____

COMMISSION ACTION: _____ ADOPTED _____ DATE: _____ November 18, 2009 _____ RECOMMENDATION #: _____ 146 _____

RECOMMENDATION: Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.	Department of Transportation and Development	Outsource	Agency action; RFP		Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT

PROPOSAL #: AGOPRM #39

SUBJECT: Highway maintenance operations

DATE ADOPTED BY ADVISORY GROUP: November 17, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.	Department of Transportation and Development	Outsource	Agency action; RFP		Done

COMMISSION RECOMMENDATION #147

CSG #147

AGOPRM #40

Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.

NARRATIVE:

In the report submitted by the Department of Transportation and Development to the Commission on Streamlining Government, the department indicated that it is investigating the possibility of leasing instead of owning the fleet of pool vehicles for Baton Rouge headquarters. The department has received preliminary estimates on the price of leased vehicles that would be housed at the department's headquarters facility, and after initial estimates, the price of the leased vehicles could be close to a break even cost compared to the Department replacing vehicles every three years. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Transportation and Development, pages 27)

At the November 17, 2009, meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 147**
Streamlining Draft **AGOPRM 40**

Date: December 15, 2009 2:43 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Fleet Management	

DOTD
Fleet Management

Page 1 of 2

DOTD employ the fleet management program to eliminate 20% of its cars and pickup trucks.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Reducing the number of DOTD vehicles (cars & trucks) 20%, or 360 vehicles, is anticipated to result in a net annual expenditure increase in the amount of \$492,676. Although reducing the fleet is anticipated to result in annual maintenance savings of approximately \$477,720 per year, offsetting additional costs estimated at \$970,396 per year are anticipated to result in net additional annual expenditures.

According to DOTD, there are approximately 1,796 cars and trucks within its fleet. A 20% reduction represents a reduction of approximately 360 vehicles, of which DOTD is the process of surplusizing 50 of these vehicles. According to the Louisiana Property Assistance Agency (LPAA), in calendar year 2008, the per vehicle maintenance expenditures (maintenance/insurance) was approximately \$1,327/vehicle (\$1,327 x 360 = \$477,720). Fuel expenditures will have no impact as fuel cost is contingent upon miles traveled and not the number of vehicles in need of maintenance.

(continued on page 2)

REVENUE EXPLANATION

This proposal will increase one-time state revenue in the amount of \$540,000 due to the surplus of vehicles reduced as a result of this proposal. According to the Louisiana Property Assistance Agency (LPAA), the average auction for a vehicle that is surplusized is approximately \$1,500. Thus, by reducing the number of DOTD cars and trucks from 1,796 to 1,436 (360 vehicle reduction) will result in one-time revenues of \$540,000 (\$1,500 x 360 = \$540,000).

The revenues generated from the auction will accrue to DOTD and the LPAA. Since these vehicles were likely purchased with Transportation Trust Fund monies, the LPAA will receive 20% of proceeds, classified as fees and self-generated revenues, and DOTD will receive 80% of the proceeds, classified as statutory dedicated funds.

LPAA - \$108,000
DOTD - \$432,000
Total - \$540,000

Senate

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 147**
Streamlining Draft **AGOPRM 40**

Date: December 15, 2009 2:43 PM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Fleet Management	

CONTINUED EXPLANATION from page one:

Page 2 of 2

However, these savings could be diminished due to DOTD expending additional operating expenditures in the amount of approximately \$970,396 associated with 247 vehicles being employees' personal vehicles, which would result in per mile reimbursement costs, operated within a departmental rental pool or other rental vehicles. The specific break down of the anticipated operational cost increase is: 1.) an additional 157 personal vehicles being utilized at a cost of \$460,296 (885,184 miles/year x \$0.52/mile), 2.) pooling a minimum of 35 vehicles in a departmental rental pool at a projected cost of \$267,000 (35 cars x 45 weeks x 5 days x \$34/day), 3.) 55 being rental vehicles at a projected cost of \$243,100 (55 cars x 26 weeks x 5 x \$34/day).

This recommendation may result in DOTD studying its current operational structure closer to determine the appropriate level of vehicle needs. To the extent DOTD can restructure its operational structure to allow for fewer vehicles needed, this would likely reduce estimated fiscal impact.

Annual vehicle purchases are typically one-time purchases that are nonrecurred every year by the Division of Administration (DOA) during the Executive Budget Development process. Thus, the fiscal impact of not replacing a vehicle due to this recommendation is not considered because absent of this recommendation those specific vehicles are nonrecurred every year during the normal Executive Budget Development process.

The means of financing impacted is the Transportation Trust Fund, which is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

NOTE: The rental car rate of \$34/day is based upon mid-size car. A portion of these rental vehicles could be trucks, which will cost more per day.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON **OUTSOURCING, PRIVATIZATION & RISK MGMT** **PROPOSAL #:** **AGOPRM #40**
SUBJECT: **Fleet management** **DATE ADOPTED BY ADVISORY GROUP:** **November 17, 2009**
COMMISSION ACTION: **ADOPTED** **DATE:** **November 18, 2009** **RECOMMENDATION #:** **147**

RECOMMENDATION: Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.	Department of Transportation and Development	Reduction	Agency action		Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT **PROPOSAL #:** AGOPRM #40

SUBJECT: Fleet management **DATE ADOPTED BY ADVISORY GROUP:** November 17, 2009

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.	Department of Transportation and Development	Reduction	Agency action		Done

COMMISSION RECOMMENDATION #148

CSG #148**AGOPRM #42**

Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.

NARRATIVE:

At the September 30, 2009, meeting of the Advisory Group on Outsourcing, Privatization and Risk Management, Mr. Roy Martin and Secretary William Ankner, Department of Transportation and Development, discussed outsourcing design engineering to the private sector. (Advisory Group on Outsourcing, Privatization and Risk Management meeting September 30, 2009, pages 3-4) There are also several references to this issue in the department's report to the Commission on Streamlining Government. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Transportation and Development)

At the November 17, 2009, meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 148**
Streamlining Draft **AGOPRM 42**

Date: December 14, 2009 10:13 AM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Engineering	

DOTD
Highway design engineering

Page 1 of 1

DOTD out source at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Requiring DOTD to out source at least 80% of its design engineering to the private sector, is indeterminable and dependent upon the cost charged by the private sector to provide design engineering services. According to DOTD, there is approximately \$3.2 billion expended on design engineering services from July 2007 to June 2009 on 970 projects, of which 67%, or \$2.2 billion, is currently out sourced, while the remaining 33% is handled by in-house engineers at a cost of \$1.1 billion. To the extent DOTD out sources an additional 13%, there could be expenditure reductions associated with less need of in-house engineers. However, those expenditure reductions will depend upon the cost charged to DOTD by the private engineering contractor.

Any expenditure savings would yield additional Transportation Trust Fund (TTF-Reg.) monies that would be available for other expenditures within the department's operating or capital budgets. The TTF is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON _____ OUTSOURCING, PRIVATIZATION & RISK MGMT _____ PROPOSAL #: _____ AGOPRM #42 _____

SUBJECT: _____ Highway design engineering _____ DATE ADOPTED BY ADVISORY GROUP: _____ November 17, 2009 _____

COMMISSION ACTION: _____ ADOPTED _____ DATE: _____ November 18, 2009 _____ RECOMMENDATION #: _____ 148 _____

RECOMMENDATION: Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.	Department of Transportation and Development	Outsource	Agency action; RFP	TBA	Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT

PROPOSAL #: AGOPRM #42

SUBJECT: Highway design engineering

DATE ADOPTED BY ADVISORY GROUP: November 17, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.	Department of Transportation and Development	Outsource	Agency action; RFP	TBA	Done

COMMISSION RECOMMENDATION #149

CSG #149

AGOPRM #43

Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.

NARRATIVE:

At the September 30, 2009, meeting of the Advisory Group on Outsourcing, Privatization and Risk Management, Mr. Roy Martin and Secretary William Ankner, Department of Transportation and Development, discussed the subject of reduction of work-related accidents and the responsibility of focusing on safety from the top down. (Advisory Group on Outsourcing, Privatization and Risk Management meeting September 30, 2009, page 9) The subject was also discussed extensively at the September 17, 2009 meeting of the advisory group with a representative from the Office of Risk Management, Bud Thompson.

At the November 17, 2009, meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 149**
Streamlining Draft **AGOPRM 43**

Date: December 15, 2009 9:13 AM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Work-related accidents	

DOTD
Work-related accidents

Page 1 of 1

DOTD reduce work-related accidents by 50%, from a total of 7% to 3.5%.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Reducing DOTD's work-related accidents by 50%, from a total of 7% to 3.5% is anticipated to result in an indeterminable decrease in state expenditures from the Transportation Trust Fund (TTF). Any reduction in worker's compensation claims will ultimately result in lower expenditures by DOTD. Based upon information provided by the Office of Risk Management (ORM), in FY 09 DOTD paid \$686,000 for 275 claims of which \$104,000 is for indemnity claims and \$582,000 is for medical claims. Based upon FY 09 actual data, the average benefit per claim is approximately \$2,495. To the extent the claims are reduced by 50%, or 138 claims, potential expenditure savings by DOTD could be approximately \$343,000. However, this is dependent upon actual claims expenditures realized (medical & indemnity).

According to the ORM, the environments in which DOTD workers operate are mostly uncontrolled environments where unforeseen causes of accidents will continue to arise, such as highway construction, regardless of departmental policies implemented to reduce this percentage by 50%. Results in environments that are more controllable, such as manufacturing plants, will be more predictable due to the limited impact of extraneous factors.

According to ORM, DOTD has reduced the number of work-related accidents by approximately 22% over a 5-year period from 354 in FY 05 to 275 in FY 09.

Any expenditure savings would yield additional Transportation Trust Fund (TTF-Reg.) monies that would be available for other expenditures within the department's operating or capital budgets. The TTF is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT **PROPOSAL #:** AGOPRM #43
SUBJECT: Safety management **DATE ADOPTED BY ADVISORY GROUP:** November 17, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 18, 2009 **RECOMMENDATION #:** 149

RECOMMENDATION: Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.	Department of Transportation and Development	Productivity	Agency action		Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT **PROPOSAL #:** AGOPRM #43
SUBJECT: Safety management **DATE ADOPTED BY ADVISORY GROUP:** November 17, 2009
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.	Department of Transportation and Development	Productivity	Agency action		Done

COMMISSION RECOMMENDATION #150

CSG #150

AGOPRM #46

Department of Transportation and Development approve more projects for value engineering.

NARRATIVE:

There were several references to this issue in the department's report to the Commission on Streamlining Government. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Transportation and Development, pages 52-53)

At the November 17, 2009, meeting of the advisory group, a motion was made to adopt the recommendation. There was no objection to the motion to adopt it.

Mr. Martin presented this recommendation to the Commission on Streamlining Government on November 18, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/18/09 - Adopted by the Commission on Streamlining Government

11/17/09 - Adopted by the Advisory Group on Outsourcing, Privatization and Risk Management

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 150**
Streamlining Draft **AGOPRM 46**

Date: December 4, 2009 8:45 AM	Author:
Dept./Agy.: DOTD	Analyst: Travis McIlwain
Subject: Value Engineering	

Page 1 of 1

DOTD

Value engineering

DOTD approve more projects for value engineering.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The expenditure impact of DOTD approving more projects for value engineering is indeterminable and could result in an increase or decrease in expenditures depending upon the value engineering recommendations implemented within a specific project. According to an article published on the Construction Management Association of America's website, value engineering is defined as "a formal logical and analytical process by which multi-disciplined teams seek the best balance between a project's required functions and its life-cycle cost. It is a problem-solving tool that most often reduces costs, but also seeks to maintain or improve performance and quality."

According to DOTD, the ultimate goal of value engineering is to allow a different group of professionals to review a project and make recommendations that better the project that may or may not result in decreased costs. Value engineering can produce greater costs in the beginning stages of a project, which could result in a higher quality project at reduced costs over the life of a project. However, there also could be recommendations that reduce the cost of the project. Thus, the overall impact of DOTD approving more projects for value engineering is indeterminable and could result in an increase or decrease in expenditures depending upon the recommendations implemented within a specific project and the time frame in which costs are measured.

DOTD currently institutes the concept of value engineering for projects that are over \$15 million and will continue to utilize this concept in future projects. For example, the original projected cost to widen LA 57 - Industrial Blvd. to Thomas Road from 2 lanes to 5 lanes was \$15.2 million. However, upon the inclusion of various value engineering recommendations, the total cost is now approximately \$9.2 million. Examples of recommendations that resulted in reduced costs include: roadway drainage alternatives and different pavement designs.

Any potential savings or additional costs resulting from value engineering will likely impact the Transportation Trust Fund (TTF-Regular). TTF-Reg. is an annual finite revenue source generated from the 16 cent gasoline tax, which generates approximately \$500 million annually.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The concept of value engineering revolves around the construction process, which directly impacts expenditures.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT **PROPOSAL #:** AGOPRM #46
SUBJECT: Highway projects **DATE ADOPTED BY ADVISORY GROUP:** November 17, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 18, 2009 **RECOMMENDATION #:** 150

RECOMMENDATION: Department of Transportation and Development approve more projects for value engineering.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development approve more projects for value engineering.	Department of Transportation and Development	Productivity	Agency action		Done

ADVISORY GROUP ON OUTSOURCING, PRIVATIZATION & RISK MGMT PROPOSAL #: AGOPRM #46

SUBJECT: Highway projects DATE ADOPTED BY ADVISORY GROUP: November 17, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Department of Transportation and Development approve more projects for value engineering.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Transportation and Development approve more projects for value engineering.	Department of Transportation and Development	Productivity	Agency action		Done

COMMISSION RECOMMENDATION #151

CSG #151

AGEB #34A

RECOMMENDATION # 151

All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The personal appearance or written application for approval of the Joint Legislative Committee on the Budget shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Legislative Committee on the Budget does not approve the contract. (6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications. (7) The number of hours and amount of compensation, including salary and benefits, paid to all employees under the contract. All information shall be provided in a format prescribed by the Joint Legislative Committee on the Budget.

NARRATIVE:

At the October 26, 2009, meeting of the Advisory Group on Efficiency and Benchmarking, Mr. John Kennedy offered a recommendation concerning state contracting. Mr. Kennedy presented a recommendation that all the departments and agencies be required to obtain the approval of the Joint Legislative Committee on the Budget in order to retain an outside consultant in a contract equal to or greater than fifty thousand dollars per year. The application for approval of the joint budget committee shall explain the following:

1. Why the department or agency needs to hire an outside consultant?
2. How the service provided by the outside consultant conforms to the mission of the department of agency?
3. Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency?
4. How the outside consultant was selected?
5. What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract?

Mr. Kennedy further stated that the purpose of this recommendation is to try to get control of the number of outside consultants that are being hired in state government and the goal is to reduce that number by twenty five percent. The recommendation was adopted without objection. (Advisory Group on Efficiency and Benchmarking Minutes, 10/26/2009)

The recommendation was considered by the Commission on Streamlining Government on November 23, 2009. The commission heard lengthy testimony from several state agencies concerning specific contracts within certain agencies and how the contract process operates. Mr. Kennedy stated that he did not realize when he proposed the recommendation that there would be over seven thousand of these contracts and he understands that it would likely be impracticable for each of these contracts to be presented to the joint budget committee. He then stated he would like to amend his recommendation to allow for submission to the joint budget committee through written means. The amendment was adopted without objection. (Commission on Streamlining Government Meeting, 11/23/2009)

Mr. Morris offered an amendment to add the following two requirements:

"(6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications.

(7) The number of hours and amount of compensation, including salary and benefits, paid to all employees under the contract."

The amendment was adopted without objection. (Commission on Streamlining Government Meeting, 11/23/2009)

Mr. Erwin brought up concerns about the amended language and specifically with item number 7. Mr. Donahue then made an amendment to remove # 7 from the recommendation to which there was objection. The amendment failed. (Commission on Streamlining Government Meeting, 11/23/2009)

The recommendation as amended was then adopted by the commission by a vote of six yeas and four nays. (Commission on Streamlining Government Meeting, 11/23/2009)

HISTORY:

11/23/09 - Amended and adopted by the Commission on Streamlining Government

11/04/09 - Reported confirmed by the Advisory Group on Efficiency and Benchmarking

11/03/09 - Received by the Commission on Streamlining Government

10/26/09 - Adopted by the Advisory Group on Efficiency and Benchmarking

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 151**
Streamlining Draft **AGEB 34A**

Date: December 7, 2009 2:36 PM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

All department and agencies in Louisiana state government be required to obtain the approval of the Joint Legislative Committee on the Budget in order to obtain a management consultant in a contract equal to or greater than \$50,000/year
All department and agencies in Louisiana state government be required to obtain the approval of the Joint Legislative Committee on the Budget in order to obtain a management consultant in a contract equal to or greater than \$50,000/year

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed Streamlining Commission recommendation will likely result in an increase in state general fund expenditures related to legislative per diem and travel expenditures. Due to the number of contracts which would likely be reviewed as a result of this recommendation, additional meetings of the JLCB will result. For each additional meeting of the JLCB which results, the maximum per diem expenditure which may result would be \$6,519 (\$159 x 41 members) plus the cost of travel for members. The LFO cannot determine the number of additional meetings which may result if this recommendation were adopted.

To the extent that the total number of consultant contracts is reduced as a result of this recommendation, state expenditures will be reduced by an indeterminable amount.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Efficiency and Benchmarking

PROPOSAL #:

ACFB # 34A

SUBJECT: Consultants/Contracts

DATE ADOPTED BY ADVISORY GROUP:

October 26, 2009

COMMISSION ACTION: AMENDED \ ADOPTEDDATE: November 23, 2009RECOMMENDATION #: 151

RECOMMENDATION: All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The personal appearance or written application for approval of the Joint Legislative Committee on the Budget shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Legislative Committee on the Budget does not approve the contract. (6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications. (7) The number of hours and amount of compensation, including salary and benefits, paid to all employees under the contract. All information shall be provided in a format prescribed by the Joint Legislative Committee on the Budget.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The personal appearance or written application for approval of the Joint Legislative Committee on the Budget shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Legislative Committee on the Budget does not approve the contract. (6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications. (7) The number of hours and amount of compensation, including salary and benefits, paid to all employees under the contract. All information shall be provided in a format prescribed by the Joint Legislative Committee on the Budget.	Legislature	To save money by reducing the number of outside consultant contracts (valued over \$50,000) through the creation of additional oversight responsibilities carried out by the JLCB.	Legislation		

ADVISORY GROUP ON Efficiency and Benchmarking

PROPOSAL #: AGEB # 34A

SUBJECT: Consultants/Contracts

DATE ADOPTED BY ADVISORY GROUP: 10-26-09

COMMISSION ACTION: AMENDED/DEFERRED

DATE: 11-10-09

RECOMMENDATION: All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.	Legislature	To save money by reducing the number of outside consultant contracts (valued over \$50,000) through the creation of additional oversight responsibilities carried out by the JLCB.	Legislation		

ADVISORY GROUP ON Efficiency and Benchmarking **PROPOSAL#:** 34 **AGEB #** 34
SUBJECT: Consultants/Contracts **DATE ADOPTED BY ADVISORY GROUP:** 10-26-09
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain an outside consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.

Summary Description/Nature of Change	Key Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/Study
All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain an outside consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall contain certain information.	Legislature	To save money by reducing the number of outside consultant contracts (valued over \$50,000) through the creation of additional oversight responsibilities carried out by the JLCB.	Statutory amendment		

The Louisiana Streamlining Government Commission recommends to the governor and the Louisiana Legislature that all departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain an outside consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following:

1. Why the department or agency needs to hire an outside consultant;
2. How the service provided by the outside consultant conforms to the mission of the department or agency;
3. Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency;
4. How the outside consultant was selected; and
5. What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.

COMMISSION RECOMMENDATION #152

CSG #152**AGEB #28**

The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.

NARRATIVE:

At the October 19, 2009, meeting of the Advisory Group on Efficiency and Benchmarking, Mr. John Kennedy provided information on the Department of Natural Resources field audit program. They audit oil and gas exploration companies for royalties due the state. Mr. Kennedy stated he would like to hear thoughts on moving the DNR program to the Department of Revenue so while the Department of Revenue is at the office of the oil and gas exploration company auditing for taxes due they can also audit for royalties due. Ms. Cynthia Bridges, representing the Department of Revenue, states as far as the royalties associated with the audits conducted by the Department of Natural Resources, she thought the Department of Revenue would be in a good position to include or incorporate those activities into it's audit program as well. She further stated that the Department of Revenue was auditing the same client base while we are conducting oil and gas severance tax examinations we can also conduct the examinations for royalties. It was her understanding that some of the information that is obtained in the oil and gas severance taxes also a component in computing the royalties. She also stated that she thought there are some economics of scale that could also be realized, more specifically with the unemployment insurance and withholding taxes because we are utilizing the same information for both items. The recommendation was adopted without objection. (Advisory Group on Efficiency and Benchmarking Minutes, 10/19/2009)

The recommendation was considered by the Commission on Streamlining Government on November 23, 2009. Mr. Kennedy explained the recommendation to the commission. Monique Edwards with the Department of Natural Resources and Clarence Lymon with the Department of Revenue provided testimony. Mr. Kennedy stated that he was confused as to what to do because of the conflicting testimony that two advisory groups had received. Ms. Edwards stated that both departments work very well with each other to perform these audits as it takes information collected from both departments to accomplish the work. Mr. Donahue suggested the recommendation be passed and the departments continue to work together to solve the problem. The recommendation was adopted without objection. (Commission on Streamlining Government Meeting, 11/23/2009)

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government

11/04/09- Reported confirmed by the Advisory Group on Efficiency and Benchmarking

10/27/09 - Received by the Commission on Streamlining Government

10/19/09 - Adopted by the Advisory Group on Efficiency and Benchmarking

December 22, 2009

Commission on Streamlining Government

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 152**
Streamlining Draft **AGEB 28**

Date: December 2, 2009 2:21 PM	Author:
Dept./Agy.: Natural Resources/Revenue	Analyst: Deborah Vivien
Subject: Transfer mineral audits from DNR to LDR	

Page 1 of 1

The Department of Revenue currently conducts audits for mineral severance taxes owed on minerals extracted from all wells in the state. The Department of Natural Resources conducts audits for royalties paid on minerals extracted on state lands.

This recommendation would transfer mineral royalty audits on state land extractions from the Department of Natural Resources to the Department of Revenue. The Department of Revenue would conduct these audits at an expense to the state of 25% less than the Department of Natural Resources.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Anticipated savings are 25% of the costs currently incurred by the Department of Natural Resources or about \$400,000 to conduct mineral royalty audits. However, DNR expects to divert those savings to other deficit areas within the agency to avoid the need for additional state general fund. In that case, there would be no savings to the state from this recommendation.

The Department of Natural Resources currently has 12 auditor positions currently conducting audits. Total budgeted expenditures for the Office of Mineral Resources to conduct the audits is \$1.7 million. Presumably, LDR will assume 75% or nine of these positions and 75% of the associated funding or \$1.3 million for a savings to the state of about \$400,000 per year. In DNR, the audit functions are funded through the Mineral and Energy Operations Fund (previously the Mineral Resources Operations Fund), which is funded mainly through a payment from leaseholders of 10% of bonuses. This analysis assumes the Mineral and Energy Operations Fund still provides funding for the audits, albeit at a reduced rate through the Department of Revenue.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure, assuming LDR conducts audits in the same manner and with the same results as those performed by the DNR.

Senate

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Efficiency and Benchmarking **PROPOSAL#:** AGEB#28
SUBJECT: Dept. of Natural Resources Field Audit Program **DATE ADOPTED BY ADVISORY GROUP:** October 19, 2009
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 152

RECOMMENDATION: The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.

Summary Description/Nature of Change	Key Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/Study
The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.	Legislature	To save money by transferring the DNR field audit program for royalties to the Dept. of Revenue which will make the program more streamlined and efficient.	Statutory Amendment	25% of the total cost of the DNR program will be saved.	

ADVISORY GROUP ON Efficiency and Benchmarking PROPOSAL#: 28 AGEB # 28
 SUBJECT: Dept. of Natural Resources Field Audit Program DATE ADOPTED BY ADVISORY GROUP: 10-19-09
 COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.

Summary Description/Nature of Change	Key Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/Study
The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.	Legislature	To save money by transferring the DNR field audit program for royalties to the Dept. of Revenue which will make the program more streamlined and efficient.	Statutory Amendment	25% of the total cost of the DNR program will be saved.	

The Louisiana Department of Natural Resources has a field audit program through which it audits oil and gas exploration companies for royalties due Louisiana from state leases. The Louisiana Department of Revenue also audits many of the same companies for severance taxes due the state. The Louisiana Streamlining Government Commission recommends to the governor and the Louisiana Legislature that DNR's field audit program for royalties be transferred to the LDR and that no more than 75% of the monies spent by the DNR to perform this service be appropriated annually to the LDR to perform the service.

COMMISSION RECOMMENDATION #153

CSG #153

AGDNES #34

State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.

NARRATIVE:

Mr. Barry Erwin testified at the November 19, 2009, meeting of the Advisory Group on Elimination of Duplicative and Non-Essential Services that all state agencies, including higher education and state public hospitals, should explore and adopt LEAN principles in order to improve efficiencies, increase overall productivity, eliminate waste and routinely save money.

Historically, LEAN principles are a part of a successful streamlining and efficiency program developed by the manufacturing industry in the 1930s in order to reduce costs, increase services, minimize waste and improve performance and productivity. LEAN also has applications for government entities. The Center for LEAN Excellence (CLE) at the University of Louisiana at Lafayette is currently working successfully with the Louisiana Workforce Commission, the City of Monroe, the City of Alexandria, the City of New Iberia, and others to streamline processes and realize cost savings.

Mr. Erwin presented this recommendation to the Commission on Streamlining Government on November 23, 2009, and it was adopted.

HISTORY:

11/23/09 - Rules suspended; Received and adopted by the Commission on Streamlining Government
11/19/09 - Adopted by the Advisory Group on Elimination of Duplicative and Non-Essential Services

DOCUMENTS:

See attachments

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #:

AGDNES # 34

SUBJECT: Adoption of LEAN Principles

DATE ADOPTED BY ADVISORY GROUP:

November 19, 2009

COMMISSION ACTION: ADOPTED

DATE: November 23, 2009

RECOMMENDATION #: 153

RECOMMENDATION: State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.	All state agencies	LEAN principles are a part of a successful streamlining and efficiency program developed by the manufacturing industry in the 1930s to reduce costs, increase services, minimize waste and improve performance and productivity. LEAN also as applications for government. The Center for LEAN Excellence (CLE) at UL Lafayette is working to apply LEAN principles to the public sector and is current working successfully with LA Workforce Commission, the City of Monroe, the City of Alexandria, the City of New Iberia, and others to streamline processes and realize cost savings.	All state agencies should work with CLE to implement LEAN principles. LEAN should change the way entities think and create a true focus of management from optimizing separate technologies, assets, and vertical departments to optimizing the flow of products and services through entire value streams that flow horizontally across technologies, assets, and departments to consumers.	To be determined. Implementation of LEAN principles develop into improved efficiency, increased productivity, overall cost saving measures, and elimination of waste.	Could be implemented at anytime.

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES # 34

SUBJECT: Adoption of LEAN Principles

DATE ADOPTED BY ADVISORY GROUP: November 19, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.	All state agencies	LEAN principles are a part of a successful streamlining and efficiency program developed by the manufacturing industry in the 1930s to reduce costs, increase services, minimize waste and improve performance and productivity. LEAN also as applications for government. The Center for LEAN Excellence (CLE) at UL Lafayette is working to apply LEAN principles to the public sector and is current working successfully with LA Workforce Commission, the City of Monroe, the City of Alexandria, the City of New Iberia, and others to streamline processes and realize cost savings.	All state agencies should work with CLE to implement LEAN principles. LEAN should change the way entities think and create a true focus of management from optimizing separate technologies, assets, and vertical departments to optimizing the flow of products and services through entire value streams that flow horizontally across technologies, assets, and departments to consumers.	To be determined. Implementation of LEAN principles develop into improved efficiency, increased productivity, overall cost saving measures, and elimination of waste.	Could be implemented at anytime.

COMMISSION RECOMMENDATION #154

CSG #154**AGIT #14**

Requests the Division of Administration to evaluate various alternative IT funding models.

NARRATIVE:

At the November 19, 2009, meeting of the Advisory Group on IT Integration, staff provided information on various funding models for state IT. The National Association of State Chief Information Officers in a September 2008 report identified a wide variety of funding options available that are outside the "traditional" funding approach. Such innovative or alternative funding utilized are: benefits funding, bonds, user fee revenue, budgeting & appropriations strategies, certificates of participation, grant funding, investment funds, leasing & financing, outsourcing & managed services, performance-based contracting, public-private partnerships, public-public partnerships, purchasing & procurement strategies, and sharing services.

Based upon information provided by NIC, Inc. - The People Behind Government, 23 states, including Alabama, Arkansas, and Texas, currently use the self-funded model to manage state of the art governor web sites, deliver enterprise state portal sites and build 24 hours a day, seven days a week citizen friendly online service through a zero dollar contracting method. According to NIC, the state could reduce agency costs by leveraging proven private sector resources to develop online services, which will free up other state employees to focus on other projects. By using a similar model, the state of Tennessee calculated \$90,000,000 in real cost savings from 2000 - 2009 as a result of their self-funded e-Government initiative. Upon the motion of Commissioner Davis and without objection the recommendation was adopted by the advisory group and was numbered as AGIT #14.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Received and Adopted by the Commission on Streamlining Government (rules suspended)
11/19/09 - Introduced at the Advisory Group on IT Integration

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 154**
Streamlining Draft **AGITI 14**

Date: December 17, 2009 3:37 PM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Requests the Division of Administration to evaluate alternative IT funding models

Requests the Division of Administration to evaluate alternative IT funding models

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures due to the evaluation of alternative IT funding models. This evaluation can be performed with existing staff of the DOA.

To the extent that alternative funding models are implemented, state expenditures for IT funding may be reduced. Examples of alternative funding models are as follows (as provided by NASCIO, Innovative Funding For State IT, September 2008):

1) Leasing and Financing- nineteen states currently utilize this approach which involves the purchase of hardware, software, or IT-related services using a lease-purchase agreement or a financing agreement which allows the state to spread the costs of purchases over a period of time as opposed to paying for them in a lump sum initially. For example, the state of Iowa leases all desktop and laptop PCs and most servers.

2) Budgeting and Appropriations Strategies- nineteen states allow for increased flexibility in the use of existing IT funds by allowing technology funds to be retained in subsequent years if unspent at the end of a budget year as opposed to reverting to the SGF.

3) Leveraging buying power- seventeen states leverage buying power of the state to generate savings. The State of New York utilizes this method for aggregate PC purchases and centralized contracts for IT services and technology. Maryland has a number of IT master contracts including hardware and commercial off-the-shelf (COTS) software, and consulting and technical services.

4) Sharing Services- sixteen states increase savings and efficiencies by encouraging agency collaboration. Utah has many projects that cross agencies which coordinate efforts and realize savings as a result.

5) Public/Private Partnerships- this is a relationship in which a state contracts with a vendor to pay for part or all of an IT project upfront and the vendor recovers its costs from revenue generated by the project (state may share in this).

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON IT Integration PROPOSAL #: ACIT #14

SUBJECT: IT funding DATE ADOPTED BY ADVISORY GROUP: November 19, 2009

COMMISSION ACTION: ADOPTED DATE: November 23, 2009 RECOMMENDATION #: 154

RECOMMENDATION: Requests the Division of Administration to evaluate various alternative IT funding models.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests the Division of Administration to evaluate various alternative IT funding models.	Division of Administration	To saving money by using innovative and alternative IT funding efforts.	Possible executive order.		

ADVISORY GROUP ON IT Integration

PROPOSAL #: AGIT #14

SUBJECT: IT funding

DATE ADOPTED BY ADVISORY GROUP: November 19, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Requests the Division of Administration to evaluate various alternative IT funding models.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests the Division of Administration to evaluate various alternative IT funding models.	Division of Administration.	To save money by using innovative and alternative IT funding efforts.	Possible executive order.		

COMMISSION RECOMMENDATION #155

CSG #155

AGIT #10

Research outsourcing print and mail infrastructure across all agencies and departments.

NARRATIVE:

At the November 5, 2009, meeting of the Advisory Group on IT Integration, Ms. Audra Ryan-Jones and Ms. Rhonda Lea with Xerox Corporation provided information on Xerox Corporation and its capabilities and solutions in dealing with constituents communications, business process outsourcing, and enterprise managed print services. In addition, the individuals explained how Xerox can help to streamline state government. Based upon information from Xerox, the state should determine if outsourcing will generate a more cost efficient and effective delivery of print and mail services, while enhancing security and scalability. Also, the opportunity for improved constituent communications should be evaluated to determine if there is synergy that can be derived by pulling together raw data from disparate sources and place them into consistent, relevant and customized correspondence to constituents. Senator Mike Michot made the recommendation to research outsourcing print and mail infrastructure across all agencies and departments.

Upon the motion of Senator Michot and without objection the recommendation was adopted by the advisory group and was numbered as AGIT #10.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government
11/19/09 - Adopted by the Advisory Group on IT Integration
11/10/09 - Received by the Commission on Streamlining Government
11/05/09 - Introduced at the Advisory Group on IT Integration

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 155**
Streamlining Draft **AGITI 10**

Date: December 15, 2009 3:13 PM	Author:
Dept./Agy.: Division of Administration	Analyst: Travis McIlwain
Subject: Print and Mail Infrastructure	

Page 1 of 1

Research outsourcing print and mail infrastructure across all agencies and departments.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Outsourcing print and mail infrastructure across all state departments is indeterminable and dependent upon the costs to provide in-house printing services versus a contractor providing a similar service. However, based upon data provided to the LFO from the Division of Administration, the cost per book (printing the Executive Budget) is \$9.84, while the average cost to print the same book from various vendors is on average approximately 46% more, or \$14.35 (Kinko's \$13.86/book, UPS Store \$20.91/book, Downtown Duplicating \$11.27/book, Digital Press & Copy \$11.36/book). The imbedded costs within the State Print Shop charge include: actual printing, labor, materials, administrative overhead, building/utilities, future replacement needs).

To the extent the state outsourced all print functions, based upon information provided from the DOA, state expenditures would likely increase. However, to the extent other state agencies utilized the State Print Shop as opposed to operating their own print shop functions, there would likely be overall state savings due to the volume discount the State Print Shop would likely realize. However, increasing the workload of the State Print Shop will depend upon the current excess capacity available within its existing resources. If such additional print jobs require additional personnel and operational costs, any cost savings associated with state agencies utilizing the State Print Shop as opposed to their own, will be mitigated.

According to the Division of Administration (DOA), the following state entities, that they are aware of, have in-house print shops: DOTD, Agriculture & Forestry, Prison Enterprises, Labor, Insurance, Education, DOA-State Printing, Wildlife & Fisheries, Natural Resources, Revenue, Environmental Quality, Social Services, Health & Hospitals, Secretary of State.

NOTE: Departments utilize various means of financing to fund current mail and printing needs.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON: _____ IT Integration _____ PROPOSAL #: _____ AGIT #10 _____

SUBJECT: _____ Print and Mail infrastructure _____ DATE ADOPTED BY ADVISORY GROUP: _____ November 5, 2009 _____

COMMISSION ACTION: _____ ADOPTED _____ DATE: _____ November 23, 2009 _____ RECOMMENDATION #: _____ 155 _____

RECOMMENDATION: Research outsourcing print and mail infrastructure across all agencies and departments.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Research outsourcing print and mail infrastructure across all agencies and departments.	Governor, and all departments	Reduce printing and mailing costs.	Possible executive order or rule change.		

ADVISORY GROUP ON IT Integration PROPOSAL #: AGIT #10

SUBJECT: Print and Mail infrastructure DATE ADOPTED BY ADVISORY GROUP: November 19, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Research outsourcing print and mail infrastructure across all agencies and departments.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Research outsourcing print and mail infrastructure across all agencies and departments.	Governor, and Cabinet	Reduce printing and mailing costs.	Possible executive order or rule change.		

COMMISSION RECOMMENDATION #156

CSG #156**AGIT #11**

Research outsourcing imaging and content management services for ERP integration.

NARRATIVE:

At the November 5, 2009, meeting of the Advisory Group on IT Integration, Ms. Audra Ryan-Jones and Ms. Rhonda Lea with Xerox Corporation provided information on Xerox Corporation and its capabilities and solutions in dealing with constituents communications, business process outsourcing, and enterprise managed print services. In addition, the individuals explained how Xerox can help to streamline state government. Based upon information from Xerox, the state should determine how to improve information flow through the seamless integration of electronic and hard copy information which will automate workflow and provide better service to Louisiana constituents. Xerox reported typical cost savings opportunities of between twenty to 40% with the end to end management of document processes. There exists an opportunity to streamline processes to drive efficiency in time and reduce the cost of processing documents. As an example, optimizing new case opening processes and creating customized materials will dramatically enhance the business process of constituent on-boarding for services provided by the state. Senator Mike Michot made the recommendation to research outsourcing imaging and content management services for ERP integration.

Upon the motion of Senator Michot and without objection the recommendation was adopted by the advisory group and was numbered as AGIT # 11.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government

11/19/09 - Adopted by the Advisory Group on IT Integration

11/10/09 - Received by the Commission on Streamlining Government

11/05/09 - Introduced at the Advisory Group on IT Integration

DOCUMENTS:

See attachments

ADVISORY GROUP ON: IT Integration PROPOSAL #: AGIT #11
SUBJECT: Imaging and content management services DATE ADOPTED BY ADVISORY GROUP: November 5, 2009
COMMISSION ACTION: ADOPTED DATE: November 23, 2009 RECOMMENDATION #: 156

RECOMMENDATION: Research outsourcing imaging and content management services for ERP integration.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Research outsourcing imaging and content management services for ERP integration.	Governor, and Cabinet	Improve access to information throughout the enterprise. Reduce redundant tasks, costs and errors.	Possible executive order or rule change.		

ADVISORY GROUP ON IT Integration PROPOSAL#: AGIT #11

SUBJECT: Imaging and content management services DATE ADOPTED BY ADVISORY GROUP: November 19, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Research outsourcing imaging and content management services for ERP integration.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Research outsourcing imaging and content management services for ERP integration.	Governor, and Cabinet	Improve access to information throughout the enterprise. Reduce redundant tasks, costs and errors.	Possible executive order or rule change.		

COMMISSION RECOMMENDATION #157

CSG #157

AGIT #12A

Explore cost-benefits of utilizing managed print services.

NARRATIVE:

At the November 5, 2009, meeting of the Advisory Group on IT Integration, Ms. Audra Ryan-Jones and Ms. Rhonda Lea with Xerox Corporation provided information on Xerox Corporation and its capabilities and solutions in dealing with constituents communications, business process outsourcing, and enterprise managed print services. In addition, the individuals explained how Xerox can help to streamline state government. Based upon information from Xerox, the state has an immediate opportunity to save between 10 and 30% by optimizing office document output throughout state government. Managed print will address hardware in the office and production environments, as well as all supplies, service, support, training and help desk support. A renewable source of cost savings and improved efficiency can be achieved with managed print services by right sizing the output infrastructure, ensuring compliance to regulatory standards and information security, providing proactive support, and delivering continuous improvement and business process integration. In order to maximize savings the strategy must be enterprise in scope, address change management to overcome resistance to change and address sustainability. Senator Mike Michot made the recommendation to utilize managed print services.

Upon the motion of Senator Michot and without objection the recommendation was adopted by the advisory group and was numbered as AGIT # 12.

At the November 19, 2009, meeting of the Advisory Group on IT Integration, Ms. Della Bonnette, a member of the advisory group, stated that she would like to explore the cost benefits as opposed to mandating the use of managed print services. Ms. Bonnette offered up the amendment and Senator Michot asked if there was any objection to this amendment, there being no objection the recommendation was amended and reported as amended and numbered as AGIT#12A.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government
11/19/09 - Amended by the Advisory Group on IT Integration
11/10/09 - Received by the Commission on Streamlining Government
11/05/09 - Introduced at the Advisory Group on IT Integration

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 157**
Streamlining Draft **AGITI 12A**

Date: December 14, 2009 4:06 PM	Author:
Dept./Agy.:	Analyst: Travis McIlwain
Subject: Managed print services	

Page 1 of 1

Explore cost-benefits of utilizing managed print services.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Employing managed print services will result in an indeterminable decrease in state expenditures. The concept of managed print services essentially outsources the entire desktop printing process. This is a similar concept to the current practice whereby state agencies rent copy machines from a vendor with the vendor being responsible for all maintenance of the system included within a monthly rental fee. Managed Print Services (MPS) involves the management of hardcopy equipment such as copiers, printers and fax machines in a unified fashion.

According to Gartner (research resource of OIT), managed print services could result in savings of approximately 10% to 30%. However, state agencies would have to calculate a baseline expenditure for printer expenses. According to OIT, it is difficult to determine the specific expenditures annually expended on the state level due to the different expenditure tracking mechanisms by agencies. For example, a new printer will be coded as an acquisition expenditure, while the cost of a printer cartridge will be coded as supplies. In addition, there is no tracking mechanism that tracks the number of personnel associated with agency document workflows.

According to OIT, these arrangements are typically based upon a monthly payment or a per printed copy payment. The selected vendor, such as HP or Xerox, provides all support and maintenance functions, which will alleviate duties of current IT staff to focus on other IT needs of the agency. However, there are potential negatives associated with managed print services that must be considered such as security issues. To the extent a state agency decides to utilize such a service, a vendor will have access to its printer networks and will be able to view certain sensitive data.

NOTE: State agencies utilize various means of financing to fund current printing infrastructure needs.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON IT Integration PROPOSAL#: AGIT #12A
SUBJECT: Managed print services DATE ADOPTED BY ADVISORY GROUP: November 19, 2009
COMMISSION ACTION: ADOPTED DATE: November 23, 2009 RECOMMENDATION #: 157

RECOMMENDATION: Explore cost-benefits of utilizing managed print services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Explore cost-benefits of utilizing managed print services.	Governor, and Cabinet	Reduce costs of printing and printer maintenance costs.	Possible executive order or rule change.		

ADVISORY GROUP ON IT Integration PROPOSAL #: AGIT #12 A

SUBJECT: Managed print services DATE ADOPTED BY ADVISORY GROUP: AMENDED

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Explore cost-benefits of utilizing managed print services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Explore cost-benefits of utilizing managed print services.	Governor, and Cabinet	Reduce costs of printing and printer maintenance costs.	Possible executive order or rule change.		

ADVISORY GROUP ON IT Integration PROPOSAL #: AGIT #12

SUBJECT: Managed print services DATE ADOPTED BY ADVISORY GROUP: _____

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Utilize managed print services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Utilize managed print services.	Governor, and Cabinet	Reduce costs of printing and printer maintenance costs.	Possible executive order or rule change.		

COMMISSION RECOMMENDATION #158

CSG #158

AGIT #13

Enable contracting methodology for value added services that transform the way employees work and improve constituent services.

NARRATIVE:

At the November 5, 2009, meeting of the Advisory Group on IT Integration, Ms. Audra Ryan-Jones and Ms. Rhonda Lea with Xerox Corporation provided information on Xerox Corporation and its capabilities and solutions in dealing with constituents communications, business process outsourcing, and enterprise managed print services. In addition, the individuals explained how Xerox can help to streamline state government. Based upon information from Xerox, there is an immediate savings opportunity to the state in terms of optimizing office document output. Also, there are future savings opportunities that can be realized with business process outsourcing and improved constituent communications. In order for the state to begin realizing immediate savings, a contracting vehicle must be in place to move forward. According to Xerox, cooperative purchasing is permissible under Louisiana R.S. 39:1702. The state should approve cooperative purchasing agreements as defined in Louisiana R.S. 39:1702(A) for services. The federal General Services Administration schedule, other state government contracts for services, and consortium contracts are available at the current time, which will allow the state to begin saving immediately to address the budget deficit. Other organizations have already performed the due diligence and invested the administrative resources required to develop, solicit and establish contracts for similar services. The state should take advantage of the work that other organizations have already invested.

According to Xerox, the American Bar Association recommends that the Model Procurement Code be updated to allow for cooperative purchasing with private procurement units. Currently this is not permissible under Louisiana law. The state should consider amending the law to allow for cooperative purchasing with private procurement units. This will give the state greater flexibility to determine which available contracts are in the best interest of the state.

Senator Mike Michot made the recommendation to enable contracting methodology for value added services that transform the way employees work and improve constituent services.

Upon the motion of Senator Michot and without objection the recommendation was adopted by the advisory group and was numbered as AGIT # 13.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government

December 22, 2009

Commission on Streamlining Government

11/19/09 - Adopted by the Advisory Group on IT Integration

11/10/09 - Received by the Commission on Streamlining Government

11/05/09 - Introduced at the Advisory Group on IT Integration

DOCUMENTS:

See attachments

ADVISORY GROUP ON: IT Integration PROPOSAL #: AGIT #13
SUBJECT: IT contracting DATE ADOPTED BY ADVISORY GROUP: November 5, 2009
COMMISSION ACTION: ADOPTED DATE: November 23, 2009 RECOMMENDATION #: 158

RECOMMENDATION: Enable contracting methodology for value added services that transform the way employees work and improve constituent services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Enable contracting methodology for value added services that transform the way employees work and improve constituent services.	Governor, and Cabinet	Cost savings and improvement in constituent services.			

ADVISORY GROUP ON IT Integration PROPOSAL #: AGIT #13

SUBJECT: IT contracting DATE ADOPTED BY ADVISORY GROUP: November 19, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: Enable contracting methodology for value added services that transform the way employees work and improve constituent services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Enable contracting methodology for value added services that transform the way employees work and improve constituent services.	Governor, and Cabinet	Cost savings and improvement in constituent services.			

COMMISSION RECOMMENDATION #159

CSG #159**Davis #03**

Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; emphasize pooling and convert many agency fleets to rentals.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to reduce the number of state automobile fleet. According to information provided by the Division of Administration, using 12,760 vehicles as the total number in the state's fleet, the Louisiana Property Assistance Agency believes that this is too many vehicles and that at least 10% can be eliminated by December 31, 2009, without negatively impacting any agency's operation. This reduction would generate savings of \$10,539,297 for calendar year 2010. If the remaining fleet of 11,484 is reduced by another 10% by December 31, 2010, the state would save \$6,031,855 during calendar year 2011. If an additional 10% were eliminated from the remaining 10,336 vehicles by December 31, 2011, the Louisiana Property Assistance Agency predicts the state would save \$5,430,350 during calendar year 2012. Total estimated saving would be \$22,001,502.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

This recommendation supercedes Recommendations #1 and #2.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 159**
Streamlining Draft **AGDAVIS 3**

Date: December 15, 2009 2:47 PM	Author:
Dept./Agy.: Statewide	Analyst: Travis McIlwain
Subject: Vehicles	

Statewide Page 1 of 2
Reduce the state's vehicle fleet by 10% in FY 10, FY 11 and FY 12 and emphasize pooling and convert many agency fleets to rentals.
Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; emphasize pooling and convert many agency fleets to rentals.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	DECREASE	DECREASE	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	DECREASE	DECREASE	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	DECREASE	DECREASE	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Reducing the number of state-owned vehicles 10% in FY 10, FY 11 and FY 12 is anticipated to result in a maintenance expenditure reduction of approximately \$1.6 million in FY 10, \$1.5 million in FY 11 and \$1.3 million in FY 12. The total fleet reduction is 1,241 vehicles in FY 10, 1,117 vehicles in FY 11 and 1,005 vehicles in FY 12. The state's fleet at the end of FY 09, which was utilized for these calculations, was approximately 12,411. Departments utilize various means of financing to fund its automobile maintenance expenditures. Thus, expenditure impacts that result from this proposal as currently written will accrue to all means of financing.

According to the Louisiana Property Assistance Agency (LPAA), in calendar year 2008 the per vehicle maintenance expenditure (maintenance/insurance) was approximately \$1,327/vehicle. Fuel expenditures will have no impact as fuel cost is contingent upon miles traveled and not the number of vehicles in need of maintenance. However, these savings could be diminished if the remaining vehicles are driven additional miles per year or if the cost to replace those eliminated vehicles with rental vehicles exceeds the cost of ownership.

Annual vehicle purchases are typically one-time purchases that are nonrecurred every year by the Division of Administration during the Executive Budget Development process. Thus, the fiscal impact of not replacing a vehicle due to this recommendation is not considered because absent of this recommendation those specific vehicles are nonrecurred every year during the normal Executive Budget Development process anyway. However, in its fiscal analysis of this recommendation, the Division of Administration (DOA) assumes that the per year savings generated by not replacing 13% of those vehicles reduced annually is \$2.5 million in FY 10, \$2.2 million in FY 11 and \$2.0 million in FY 11. According to the DOA since 2004, approximately 13% of the state's vehicle fleet is replaced each year.

NOTE: The expenditure impact discussed above includes law enforcement vehicles. To the extent law enforcement vehicles are excluded, the anticipated annual maintenance reduction is approximately \$1.2 million in FY 10, \$1.1 million in FY 11 and \$0.9 million in FY 12 and the number of vehicles reduced is 887 in FY 10, 799 in FY 11, and 719 in FY 12.
(Continued on Page 2)

REVENUE EXPLANATION

This proposal will increase one-time state revenue in the amount of \$3.4 million in FY 10, \$3.0 million in FY 11, and \$2.7 million in FY 12 due to the surplus of vehicles reduced as a result of this proposal. According to the Louisiana Property Assistance Agency (LPAA), the average auction for a vehicle that is surplus is approximately \$2,700. Thus, by reducing the number of state-owned vehicles 1,241 in FY 10, 1,117 in FY 11 and 1,005 in FY 12 will result in one time revenues. (Page 2)

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 159**
Streamlining Draft **AGDAVIS 3**

Date: December 15, 2009 2:47 PM	Author:
Dept./Agy.: Statewide	Analyst: Travis McIlwain
Subject: Vehicles	

Page 2 of 2

CONTINUED EXPLANATION from page one:

CONTINUED EXPENDITURE EXPLANATION:

This proposal also provides for emphasis on pooling and converting vehicle fleets to rental fleets. For illustrative purposes, the annual cost of owning a vehicle, representative of vehicles purchased by the state, is approximately \$3,577/year, while the annual cost to rent a comparable vehicle ranges from approximately \$1,700/year to \$11,900/year depending upon the number of days per week of usage.

The cost associated with owning a vehicle is based upon the following assumptions:

- 1.) That the annual maintenance expenditures for a state-owned vehicle are \$1,327/year (\$455/vehicle - maintenance, \$872/vehicle - insurance);
- 2.) That the average state vehicle cost is \$15,000 (LPAA);
- 3.) That the average state vehicle life span is 6 years (LPAA);
- 4.) That the average salvage value of a state vehicle at the end of its life is \$1,500 (LPAA);
- 5.) That utilizing the straight-line depreciation method yields an average annual cost of a state vehicle is \$2,250/year [(\$15,000 - \$1,500/6 = \$2,250).

Based upon the assumptions above, on average the annual costs associated with owning a state vehicle is approximately \$3,577/year.

The cost range associated with renting a vehicle is based upon the following assumptions:

- 1.) That rental cost is \$34/day (mid-size rental rate);
- 2.) That the number of weeks per year rented is 50 weeks;
- 3.) That an agency could rent a vehicle from 1 day/week to 7 days/week.

Based upon the assumptions above, on average the annual costs associated with renting a vehicle ranges from approximately \$1,700/year to \$11,900/year.

Days Per Week	Rental Cost/Year
1	\$1,700
2	\$3,400
3	\$5,100
4	\$6,800
5	\$8,500
6	\$10,200
7	\$11,900

Based upon the assumptions and information presented in the chart above, it appears the cost to rent a vehicle for 3 or more days per week would increase overall state expenditure. The increase in cost would range from \$1,523/year to \$8,323/year.

CONTINUED REVENUE EXPLANATION:

The typical average surplus amount per state vehicle is approximately \$1,500. However, due to the current vehicle moratorium currently being enforced by the commissioner of administration and this specific recommendation becoming a reality, the LPAA will likely receive a better quality vehicle to auction as opposed to the older vehicles historically received.

The revenues generated from the auction will accrue to either the selling agency or the LPAA. If the vehicle was purchased with federal grant funds, fees and self-generated revenues or statutory dedications, the LPAA typically receives 20% of the proceeds, while the selling agency receives 80%. If the vehicle was purchased with state general fund, the LPAA receives the full amount generated from the auction. All revenues generated to the LPAA are classified as fees and self-generated revenues. The LPAA is a budget unit within the ancillary appropriations bill.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #03 **REFERRED TO AG on:** _____
SUBJECT: Fleet reduction **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 159

REPLACES RECOMMENDATION's No. 1 and No. 2

RECOMMENDATION: Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; emphasize pooling and convert many agency fleets to rentals.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; emphasize pooling and convert many agency fleets to rentals.	Governor, and all departments.	Cost saving measure.	Executive order.	Estimated \$22,300,535.00	

REPLACES RECOMMENDATION's No. 1 and No. 2

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #03 **REFERRED TO AG on:** _____
SUBJECT: Fleet reduction **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; and convert many agency fleets to rentals.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; and convert many agency fleets to rentals.	Governor, and all departments.	Cost saving measure.	Executive order.	Estimated \$22,300,535.00	

COMMISSION RECOMMENDATION #160

CSG #160

Davis #04

Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ209-11.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ209-11. According to Executive Order No. BJ209-11, in order to limit or control the growth in government positions and to prepare for the budget challenges in the ensuing years, prudent fiscal management practices dictate that the best interests of the citizens of the state will be served by the implementation of a hiring freeze in the executive branch to achieve at least a state general fund dollar savings of \$20,000,000. Executive Order No. BJ209-11 applies only to certain departments, agencies, or budget units of the executive branch.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #04 **REFERRED TO AG on:** _____
SUBJECT: Elimination of positions **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 160

RECOMMENDATION: Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ2009-11.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ2009-11.	Governor, all departments, including higher education, but does not include statewide elected officials.	Cost saving measure. Elimination of 795 positions out of 1,963 positions.	Executive order.	Estimated \$52,500,000.00	

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #04 **REFERRED TO AG on:** _____
SUBJECT: Elimination of positions **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ2009-11.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ2009-11.	Governor, all departments, including higher education, but does not include statewide elected officials.	Cost saving measure. Elimination of 795 positions out of 1,963 positions.	Executive order.	Estimated \$52,500,000.00	

COMMISSION RECOMMENDATION #161

CSG #161**Davis #05**

Modernize the procurement statutes across all procurement areas.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to modernize the procurement statutes across all procurement areas. According to information provided by the Division of Administration, revisions to the procurement statutes should modify definitions and add new definitions to Articles 1 and 3 of the procurement code to adapt to the electronic age. Also, revisions need to allow for flexibility to senior procurement officials for various purchasing methods, with appropriate safeguards and reporting responsibilities found in Article 3.

According to the Division of Administration, the state operates under several procurement statutes which are all outdated and in dire need to be updated to current standards. For instance the Model Procurement Code was implemented in 1979. The statutes governing consulting services was implemented around 1978. Over the years, these statutes have had numerous legislative exceptions made to different departments exempting them from the procurement process. The Commissioner of Administration has instructed appropriate staff to begin the project of modernizing the different procurement statutes. This project will cross all procurement boundaries. This project will allow the Division of Administration to examine all the exceptions in the statutes and determine if they should remain exempt or be brought back to the public procurement statutes that protect the general public. The revisions to the procurement statutes will provide needed flexibility to senior procurement officials to flexibly adapt to procurement procedures to unusual circumstances, with appropriate safeguards and reporting responsibilities.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 161**
Streamlining Draft **AGDAVIS 05**

Date: December 14, 2009 10:31 AM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Modernize the procurement statutes across all procurement areas

Modernize the procurement statutes across all procurement areas

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. While this recommendation does not necessarily impact state expenditures, the result of streamlining the state's procurement statutes should simplify this process and encourage greater participation of vendors. Statutes regarding printing procurement, information technology, construction, etc. are in various sections of Louisiana law making the procurement process difficult to follow. The Division of Administration notes that different procurement chapters may be combined and may result in greater efficiencies for both state agencies and the vendors which do business with the state.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #05 **REFERRED TO AG on:** _____
SUBJECT: Procurement laws **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 161

RECOMMENDATION: Modernize the procurement statutes across all procurement areas.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Modernize the procurement statutes across all procurement areas.	Legislature.		Legislation.		

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #05 **REFERRED TO AG on:** _____
SUBJECT: Procurement laws **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Modernize the procurement statutes across all procurement areas.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Modernize the procurement statutes across all procurement areas.	Legislature.		Legislation.		

COMMISSION RECOMMENDATION #162

CSG #162

Davis #06

Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts. According to information provided by the Division of Administration, the database would include information from all agencies, including higher education. This database is needed to enable staff to take an enterprise approach and provide the data needed to make more strategic decisions in developing the state's contracts.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 162**
Streamlining Draft **AGDAVIS 06**

Date: December 17, 2009 3:51 PM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Create a database of commodity based procurement to include services across the state in order that the state make more strategic decisions in developing contracts.
Create a database of commodity based procurement to include services across the state in order that the state make more strategic decisions in developing contracts.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed Streamlining Commission recommendation will result in an increase in costs associated with the development of the database for commodity based procurement. The DOA estimates that the cost of database development by an outside contractor will be approximately \$1 million including \$900,000 for database development and \$100,000 for additional hardware, which would include servers and storage, and associated software licenses.

This data base will enable staff to take an enterprise approach and provide the data needed to make more strategic decisions in developing state contracts.

To the extent that the development of this database results in more strategic decisions related to contract formulation on a statewide basis, some indeterminable savings may result which will offset the initial expenditure of funds. The LFO cannot determine whether those potential savings in FY 11 will be greater than the \$1 million expenditure discussed above.

NOTE: The DOA indicates that it does not have sufficient IT resources to develop the proposed database and will require an outside contractor to provide this service.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #06 **REFERRED TO AG on:** _____
SUBJECT: Database of commodity based procurement **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 162

RECOMMENDATION: Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.	Division of Administration.		Executive order.		

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #06 **REFERRED TO AG on:** _____

SUBJECT: Database of commodity based procurement **DATE REPORTED BY AG:** _____ **REPORT:** _____

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.	Division of Administration.		Executive order.		

COMMISSION RECOMMENDATION #163

CSG #163

Davis #07

Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts. According to information provided by the Division of Administration, the Office of State Purchasing and the Office of Information Technology have already been working jointly to identify areas in IT where savings can be achieved by refining the procurement processes. The initial focus has been on brand name contracts and microcomputer brand name contracts. The Division of Administration has begun the development of the first request for proposal (RFP) for a networking enterprise contract. The Office of Telecommunications Management has taken the lead on developing the RFP with a scheduled release for the first quarter of 2010. The Office of Telecommunications Management planned to proceed with enterprise contracts for the remaining entities in calendar year 2010. Assuming a 10% reduction in cost to the state and using prior year spend, it is estimated that the state could achieve a \$6,977,647 cost savings as a result of implementing the enterprise contracts for information technology.

Information for the ten percent savings figure of \$6,977,647:

Servers	\$8,381,476
Workstations	\$38,156,117
Printers	\$4,035,578
Storage	\$3,968,938
Network Eq.	\$12,315,590
Software	\$706,199
Telephony-PBX	\$1,251,658
Security	\$960,919
Total spend	\$69,776,475

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 163**
Streamlining Draft **AGDAVIS 07**

Date: December 14, 2009 10:07 AM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Requires the Division of Administration to pursue the development of "enterprise contracts" and requires state agencies to utilize these contracts
Requires the Division of Administration to pursue the development of "enterprise contracts" and requires state agencies to utilize these contracts

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed Streamlining Commission recommendation may result in an indeterminable decrease in state expenditures. The development of "enterprise contracts" will refine the procurement process whereby all state agencies will ultimately be required to contract with one vendor chosen by the state in specific contract areas rather than each agency individually seeking vendors. According to the DOA, this standardization process should result in reduced costs to the state through the increased volume which will result for the vendor chosen for that specific contract area.

The DOA has identified total expenditures of \$69.8 million in FY 09 on such expenditures as printers, network security, storage, workstations, servers, and networking. This is not an exhaustive list and the DOA is continuing its efforts to identify other areas where such refinement may result in decreased costs to the state. The DOA anticipates that the use of "enterprise contracts" may result in a 10% decrease in costs for those expenditures detailed above or a reduction of nearly \$7 million. To the extent that this process is utilized in other state contracts, additional savings may result.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #07 **REFERRED TO AG on:** _____
SUBJECT: Enterprise contracts **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 163

RECOMMENDATION: Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.	Division of Administration and Legislature.		Executive order and statutory changes.		

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #07 **REFERRED TO AG on:** _____
SUBJECT: Enterprise contracts **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.	Division of Administration and Legislature.		Executive order and statutory changes.		

COMMISSION RECOMMENDATION #164

CSG #164

Davis #08

Requests the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to request the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state. According to information provided by the Division of Administration, agencies will have on-line capabilities to assist them with the report of vendor's complaints, and inquire on histories to assist them in making purchasing decisions. Effective monitoring of vendor performance will ensure the integrity, efficiency, and cost effectiveness of the state's procurement programs. Also, monitoring will ensure the state is getting quality merchandise versus inferior products, and that deliveries are being made in a timely fashion and not proving costly to the state. The program will hold vendors accountable for performance and create a level playing field for all bidders.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 164**
Streamlining Draft **AGDAVIS 08**

Date: December 15, 2009 9:10 AM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Requests the DOA to develop a program to effectively monitor the performance of vendors who do business with the state.

Requests the DOA to develop a program to effectively monitor the performance of vendors who do business with the state.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures to develop a program to monitor the performance of vendors. The DOA notes that a database will be developed and monitored by existing personnel which will give state agencies the opportunity to report vendor performance upon completion of all contracts. A web-based survey questionnaire will be available as part of this system which can be utilized by state agencies. Results of this may be made available on LaTrac (the state's transparency website).

According to the DOA, the Enterprise Resource Planning (ERP) system which is to be implemented on a pilot basis by DOTD in FY 11 and statewide in FY 13 was to include this as part of the state's new financial system. However, the DOA may use existing resources to make this database available in FY 11. Some level of efficiencies may be realized by agencies that select better performing vendors for its purchases as a result of the development of this program.

NOTE: To the extent that multiple Streamlining Commission recommendations are adopted which result in significant workload to the DOA resources, some additional costs may be incurred to develop this database.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #08 **REFERRED TO AG on:** _____
SUBJECT: Vendor performance monitoring **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 164

RECOMMENDATION: Requests the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state.	Division of Administration.	Agencies will have on-line capabilities to assist them with the report of vendor's complaints, and inquire on histories to assist them in making purchasing decisions.	Executive order.		

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #08 **REFERRED TO AG on:** _____
SUBJECT: Vendor performance monitoring **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Requests the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state.	Division of Administration.	Agencies will have on-line capabilities to assist them with the report of vendor's complaints, and inquire on histories to assist them in making purchasing decisions.	Executive order.		

COMMISSION RECOMMENDATION #165

CSG #165**Davis #09**

Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to request all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system. According to information provided by the Division of Administration, agencies should provide the information in an electronic format such that it can be merged with other data to provide a complete database of contracts to be posted online. The addition of contract information to LaTrac is another big step forward for transparency and accountability in Louisiana. The office of contractual review does not review certain contracts that have been specifically delegated to agencies or have been exempted by statute, such as those for the Recovery School District. The contracts entered into under certain agencies' delegated authority or exceptions will not appear in the LaTrac contracts database. However, all disbursements made under these and all other contracts do appear in the expenditure database of LaTrac.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 165**
Streamlining Draft **AGDAVIS 09**

Date: December 14, 2009 10:10 AM	Author:
Dept./Agy.: Executive/DOA	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.
Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Expenditures related to the proposed Streamlining Commission recommendation will be dependent upon the manner in which this contract information is provided by state agencies to the Division of Administration (most significantly Higher Education). Those agencies which are not currently submitting to the state's contract financial management system (CFMS) may submit this information in three different ways:

- 1) Higher Education, for example, may begin submitting this information on CFMS which will require double entry by higher education which also has its own contract management systems. Additional costs may be incurred to link these agencies to CFMS as well as the potential to increase personnel costs.
- 2) Higher Education may submit this information in a paper format which would significantly increase the workload for the staff of the Office of Contract Review in the DOA and would likely require additional personnel in that office.
- 3) This information could be submitted in an electronic format from the current systems utilized by Higher Education and other such agencies and the information could be merged into data provided through the LaTrac system (state's transparency website). According to the DOA, this would minimize the potential impact on all state agencies and would result in negligible costs as any programming work would be performed by existing staff of the DOA.

NOTE: To the extent that multiple Streamlining Commission recommendations are adopted which result in significant workload to the DOA resources, some additional costs may be incurred through professional services contracts.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #09 **REFERRED TO AG on:** _____
SUBJECT: Contract financial management system **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 165

RECOMMENDATION: Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.	State agencies.		Executive order.		

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #09 **REFERRED TO AG on:** _____

SUBJECT: Contract financial management system **DATE REPORTED BY AG:** _____ **REPORT:** _____

COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.	State agencies.		Executive order.		

COMMISSION RECOMMENDATION #166

CSG #166**Davis #10**

Requests all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Commissioner Angele Davis made a recommendation to request all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts. According to information provided by the Division of Administration, following the review, the agencies should determine the following: whether the contract is productive and fulfills an agency mission, if the contracted activities can be performed in-house with existing staff and budget, or if the activities associated with the contract should be eliminated entirely to generate costs savings. Agency heads should take immediate action and publish an online overview report with the findings of this review 30 days before the 2010 legislative session. The Division of Administration note that with the state's difficult fiscal situation, every agency should be more vigilant with the citizen's taxes. The agency heads are the most appropriate person for this formal review because they are the subject matter experts and responsible for the contracts in their agency.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 166**
Streamlining Draft

Date: December 9, 2009 9:40 AM	Author:
Dept./Agy.: DOA	Analyst: Evan Brasseaux
Subject: Contracts	

Page 1 of 1

Requests all state agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts.

Requests all state agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures to conduct the reviews requested in this recommendation. It is anticipated that the review of contracts in such manner will be performed with existing staff of state agencies and publishing of the overview reports will be done on existing state websites which will minimize or eliminate any potential costs. Possible savings may be realized if reviews indicate a number of underperforming and/or low priority contracts which are ultimately eliminated or reduced.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #10 **REFERRED TO AG on:** _____
SUBJECT: Private contract review **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 166

RECOMMENDATION: Requests all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts. Following this review, the agencies should determine the following: whether the contract is productive and fulfills an agency mission, if the contracted activities can be performed in-house with existing staff and budget, or if the activities associated with the contract should be eliminated entirely to generate costs savings. Agency heads should take immediate action and publish an online overview report with the findings of this review thirty days before the 2010 Legislative session.	State agencies.		Executive order.		

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #10 **REFERRED TO AG on:** _____
SUBJECT: Private contract review **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Requests all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Requests all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts. Following this review, the agencies should determine the following: whether the contract is productive and fulfills an agency mission, if the contracted activities can be performed in-house with existing staff and budget, or if the activities associated with the contract should be eliminated entirely to generate costs savings. Agency heads should take immediate action and publish an online overview report with the findings of this review thirty days before the 2010 Legislative session.	State agencies.		Executive order.		

COMMISSION RECOMMENDATION #167

CSG #167

Martin #27

Recommendation # 167

Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be evaluated immediately by Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division on a case by case basis in each community, and the study should be completed by December 31, 2010. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. Huey P. Long Medical Center should be the first to be evaluated under this policy and an RFP should be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.

NARRATIVE:

At the August 26, 2009 meeting of the Advisory Group on Outsourcing, Privatization and Risk Management, Secretary Alan Levine testified about outpatient and primary care access in the state, and discussed the idea of evolving a system that would utilize community hospitals in certain markets and outsourcing acute and inpatient care. (Advisory Group on Outsourcing, Privatization and Risk Management meeting August 26, 2009, pages 9-11) This subject was also in the report by the Department of Health and Hospitals to the Commission on Streamlining Government. (Cabinet Department Reports for the Commission Streamlining Government, August 18, 2009, Department of Health and Hospitals, pages 2-3)

Mr. Roy Martin presented this recommendation to the Commission on Streamlining Government on November 23, 2009, and asked for a favorable adoption. The recommendation was adopted.

HISTORY:

11/23/09 - Amended\Adopted by the Commission on Streamlining Government

11/23/09 - Introduced at the Commission on Streamlining Government

DOCUMENTS:

See attachments

MEMBER: Roy O. Martin **PROPOSAL #** Martin #27 **REFERRED TO AG on:** _____
SUBJECT: Public hospital system **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 167

RECOMMENDATION: Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be evaluated immediately by Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division on a case by case basis in each community, and the study should be completed by December 31, 2010. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. Huey P. Long Medical Center should be the first to be evaluated under this policy and an RFP should be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be evaluated immediately by Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division on a case by case basis in each community, and the study should be completed by December 31, 2010. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. Huey P. Long Medical Center should be the first to be evaluated under this policy and an RFP should be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.	Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division		Legislation; agency action; RFP	\$32 million	Done

MEMBER: Roy O. Martin **PROPOSAL #** Martin #27 **REFERRED TO AG on:** _____
SUBJECT: Public hospital system **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be explored on a case by case basis in each community. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. This Commissioner recommends that Huey P. Long Medical Center be the first to be evaluated under this policy and directs that an RFP be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be explored on a case by case basis in each community. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. This Commissioner recommends that Huey P. Long Medical Center be the first to be evaluated under this policy and directs that an RFP be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.	Louisiana State University Health Sciences Center at Shreveport		Legislation; agency action; RFP	TBD	Done

COMMISSION RECOMMENDATION #168

CSG #168**Davis #02**

Request the Division of Administration to develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the division.

NARRATIVE:

At the November 19, 2009, meeting of the Advisory Group on IT Integration, Commissioner Angele Davis provided information on and recommended the Division of Administration (DOA) to develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the DOA. This recommendation is necessary because once buildings are constructed and allocated to agencies outside of the DOA, those agencies become responsible for the operations and maintenance of the buildings. When a space in that building becomes vacant, those agencies do not report the vacant space to the DOA. If the DOA knows of a vacant space, the DOA could backfill that space with another agency or tenant. This would also apply to state leased space.

Upon the motion of Comm. Davis and without objection the recommendation was adopted by the advisory group and was numbered as Davis #02.

This recommendation was presented to the Commission on Streamlining Government on November 23, 2009, and was adopted by the Commission.

HISTORY:

11/23/09 - Received and adopted by the Commission on Streamlining Government (rules suspended)

11/19/09 - Introduced and adopted by the Advisory Group on IT Integration

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 168**
Streamlining Draft **AGDAVIS 02**

Date: December 14, 2009 1:41 PM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

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Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance of efforts in state owned facilities
Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance of efforts in state owned facilities operated and maintained by agencies outside of DOA.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$1,200,000	(\$6,640,000)	(\$6,640,000)	(\$6,640,000)	(\$6,640,000)	(\$25,360,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$1,200,000	(\$6,640,000)	(\$6,640,000)	(\$6,640,000)	(\$6,640,000)	(\$25,360,000)
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed recommendation will result in an initial increase in expenditures related to the design and development of a web-based reporting system for agencies to report space utilization in both owned and leased space. The Division of Administration IT staff estimates that development of this web-based system will cost approximately \$1.2 million. Once this system is fully implemented, the resulting information should allow the DOA greater control of space utilization by state agencies. Space utilization is currently managed and controlled at the agency and department level. The new reporting system will allow greater oversight into the management of the state's assets and should allow for greater consolidation of agencies in existing facilities.

The state currently currently leases 5.5 million square feet of space at a cost of \$66.4 million annually. According to the DOA, this new reporting requirement would likely result in a minimum of 10% reduction in these costs or an annual decrease of \$6.64 million based on consolidation of space. The minimum cost savings is reflected in the table above for FY 12 and subsequent fiscal years. The system will provide the following benefits:

- 1) The DOA will be able to monitor utilization of state-owned and leased space and will be able to begin to consolidate use of space in state buildings thereby reducing the need for leased space.
- 2) The DOA will be able to monitor maintenance efforts to verify that the state agencies are properly maintaining state-owned properties and insuring that the useful life designed into these facilities is actually realized.
- 3) The DOA will be better able to evaluate the needs for new facilities requested by agencies through capital outlay.

To the extent that these benefits provide the DOA with greater oversight of agencies' utilization of space, additional but indeterminable savings may occur.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Commissioner Angele Davis **PROPOSAL #** Davis #02 **REFERRED TO AG on:** IT Integration
SUBJECT: DOA-State agency leased or operated facilities **DATE REPORTED BY AG:** November 19, 2009 **REPORT:** Favorable
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 168

RECOMMENDATION: Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the division.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the division.	Division of Administration.	Central management and control reporting would allow for greater efficiencies in operations, maintenance and cross utilization of unoccupied space.			

MEMBER: Commissioner Angele Davis **PROPOSAL#** Davis #02 **REFERRED TO AG on:** IT Integration
SUBJECT: DOA-State agency leased or operated facilities **DATE REPORTED BY AG:** November 19, 2009 **REPORT:** Favorable
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the DOA.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the DOA.	Division of Administration.	Central management and control reporting would allow for greater efficiencies in operations, maintenance and cross utilization of unoccupied space.			

COMMISSION RECOMMENDATION #169

CSG #169

Donahue #05

Governor and Legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

NARRATIVE:

At the November 17, 2009, and November 23, 2009, meeting of the Commission on Streamlining Government, Senator Jack Donahue testified that over the past two decades, hundreds of billions of dollars worth of state-owned enterprises and assets have been sold or leased to the private sector worldwide. These assets have included airports, stadiums, ports, utilities, liquor operations, buildings, land and gas and electric utilities. The Reason Foundation estimates that cities and states own over \$226,000,000,000 in infrastructure assets that could be sold to the private sector. By selling or leasing state enterprises to private entities, governments can turn dormant physical capital into financial capital, which can be used for more pressing needs such as rebuilding decaying infrastructure, reducing debt, or cutting taxes.

Senator Donahue recommended that all agencies, including the governor and legislature should consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs of the state.

The recommendation was received by the Commission on Streamlining Government on November 17, 2009. It was reported favorable by the Advisory Group on the Elimination of Duplicative and Non-Essential Services at their meeting on November 19, 2009. Senator Donahue presented it to the Commission on Streamlining Government on November 23, 2009, and it was adopted.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government

11/19/09 - Reported Favorable by the Advisory Group on Elimination of Duplicative & Non-Essential Services

11/17/09 - Received by the Commission on Streamlining Government

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 169**
Streamlining Draft **AGDONAHUE 05**

Date: December 14, 2009 1:35 PM	Author:
Dept./Agy.:	Analyst: Evan Brasseaux
Subject:	

Page 1 of 1

Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.
Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The steps required to surplus state-owned property are as follows:

- 1) agencies with land and buildings allocated to them must declare the properties as surplus properties.
- 2) the Office of State Lands is required to offer the properties to other state agencies and departments to determine if there is another viable state use.
- 3) if there is no other state use, the DOA must seek and gain the approval of the House and Senate Natural Resources Committees to sell the properties at public auction at appraised value or above. If the properties do not sell at the first auction at appraised value, the state can seek approval of the Natural Resources Committees of the House and Senate to sell below appraised value.

All work related to the steps above will be absorbed with existing agency staff and will not increase state expenditures.

REVENUE EXPLANATION

The proposed Streamlining Commission recommendation will result in an indeterminable increase in revenue. The Office of State Lands has surveyed all departments in the executive branch of government to identify any state lands or buildings which are no longer necessary to perform the agency's mission, goals and objectives. While appraisals have yet to be performed on these properties, the Office of State Lands has estimated the properties identified by state agencies will generate approximately \$8.6 million for the state when sold at public auction. To the extent that this exercise is performed annually, additional revenue may be generated in future fiscal years but likely at a decreasing level of return.

The DOA notes that the list of properties discussed above does not include any identified by Higher Education institutions. That list will be provided to the DOA on December 15th.

Senate
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Senator Jack Donahue **PROPOSAL#** Donahue #05 **REFERRED TO AG on:** ACDNES
SUBJECT: All Agencies - State Property **DATE REPORTED BY AG:** November 19, 2009 **REPORT:** Favorable
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 169

RECOMMENDATION: Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.	All agencies and Legislature.	Dormant physical capital or nonproductive state assets can be used to generate funding for needs.	Infrastructure assets identified, and where appropriate, sold or leased to a private party, and where appropriate, former state asset is sold with long-term lease back to state.	Financial capital.	Capital assets could be converted as identified and sold/leased.

MEMBER: Senator Jack Donahue **PROPOSAL#** Donahue #05 **REFERRED TO AG on:** AGDNES
SUBJECT: All Agencies - State Property **DATE REPORTED BY AG:** November 19, 2009 **REPORT:** Favorable
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.	All agencies and Legislature.	Dormant physical capital or nonproductive state assets can be used to generate funding for needs.	Infrastructure assets identified, and where appropriate, sold or leased to a private party, and where appropriate, former state asset is sold with long-term lease back to state.	Financial capital.	Capital assets could be converted as identified and sold/leased.

COMMISSION RECOMMENDATION #170

CSG #170

Donahue #02

Certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of full cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.

NARRATIVE:

The Mercatus Center issued a white paper suggesting that the Commission on Streamlining Government consider funding services or process through "full cost recovery." "Full cost recovery" means that the customer who benefits from the service or process pays the full cost of providing the service or process.

At the November 3, 2009, meeting of the Commission on Streamlining Government, Senator Jack Donahue introduced a recommendation requiring all departments, agencies, and the legislature to review certain government services and processes and work to identify activities that could be funded in whole or in part through "full cost recovery" of the expenses by the user or customer. The recommendation further provided that the criteria for setting the amount of cost recovery would be established in consultation with the Society of Louisiana Public Accountants. It also provided that the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, would be displayed on the department's or agency's website.

State general fund savings would be realized as activities move from a taxpayer funded to user or customer funded and state general funds would be eliminated for goods and services which do not match priorities.

The recommendation was reported favorable by the Advisory Group on Elimination of Duplicative and Non-Essential Services at their meeting on November 5, 2009. Senator Donahue presented the recommendation to the Commission on Streamlining Government on November 23, 2009, and it was adopted.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government

11/05/09 - Reported Favorable by the Advisory Group on Elimination of Duplicative and Non-Essential Services

11/03/09 - Introduced at the Commission on Streamlining Government

DOCUMENTS:

See attachments

MEMBER: Senator Jack Donahue **PROPOSAL#** Donahue #02 **REFERRED TO AG on:** Dup & Non-Essen Svcs
SUBJECT: Full Cost Recovery **DATE REPORTED BY AG:** November 5, 2009 **REPORT:** Favorable
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 170

RECOMMENDATION: Certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.	Departments, agencies and the Legislature	It is reasonable public policy to allocate costs to the party benefiting from the government service or process. If the activity is entirely for the public good, then the taxpayer should fund it. When it is a private benefit, the user or customer should fund it. When there is both a public and private good, the costs could be apportioned between the two. It is a legitimate budget practice to test past funding decisions periodically as a matter of equity and shift costs when appropriate.	Governor issue Executive Order (EO) providing that departments and agencies would be required to recover costs of certain services or processes through full cost recovery. EO would establish activity to be funded through full cost recovery, criteria for setting the amount for cost recovery and all charges existing and new would be subject to these criteria. The process would also apply for determining whether the expense recovery would be for all costs of the activity or a proportion thereof.	Departments and agencies administering identified services and processes would have to follow criteria established in EO to set costs. State General Fund savings would be realized as activities move from taxpayer funded to user or customer funded. Also, this process would be a first step and tool for the state to begin prioritization of exactly what goods and services it will provide for its citizens. State General Fund should be eliminated for goods and services which do not match priorities. \$180 Million Dollar Savings (Marcatus)	Commission's work is done with recommendation. EO could be issued once activities and criteria are determined and policy decisions could be made in the 2010 Legislative Session.

MEMBER: Senator Jack Donahue **PROPOSAL #** Donahue #02 **REFERRED TO AG on:** Dup & Non-Essen Svcs
SUBJECT: Full Cost Recovery **DATE REPORTED BY AG:** November 5, 2009 **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: That certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and that the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
That certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and that the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.	Departments, agencies and the Legislature	It is reasonable public policy to allocate costs to the party benefiting from the government service or process. If the activity is entirely for the public good, then the taxpayer should fund it. When it is a private benefit, the user or customer should fund it. When there is both a public and private good, the costs could be apportioned between the two. It is a legitimate budget practice to test past funding decisions periodically as a matter of equity and shift costs when appropriate.	Governor issue Executive Order (EO) providing that departments and agencies would be required to recover costs of certain services or processes through full cost recovery. EO would establish activity to be funded through full cost recovery, criteria for setting the amount for cost recovery and all charges existing and new would be subject to these criteria. The process would also apply for determining whether the expense recovery would be for all costs of the activity or a proportion thereof.	Departments and agencies administering identified services and processes would have to follow criteria established in EO to set costs. State General Fund savings would be realized as activities move from taxpayer funded to user or customer funded. Also, this process would be a first step and tool for the state to begin prioritization of exactly what goods and services it will provide for its citizens. State General Fund should be eliminated for goods and services which do not match priorities.	Commission's work is done with recommendation. EO could be issued once activities and criteria are determined and policy decisions could be made in the 2010 Legislative Session.

COMMISSION RECOMMENDATION #171

CSG #171

Michot #02

Directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.

NARRATIVE:

At the November 23, 2009, meeting of the Streamlining Commission, Senator Mike Michot made a recommendation to direct the Board of Elementary and Secondary Education to broadcast and archive its meetings online. The rules were suspended and Senator Michot asked for favorable adoption. There were no objections to adoption of this recommendation.

HISTORY:

11/23/09 - Adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 171**
Streamlining Draft **AGMICHOT 02**

Date: December 15, 2009 3:01 PM	Author:
Dept./Agy.: BESE	Analyst: Mary Kathryn Drago
Subject: Broadcast meetings	

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The Streamlining Commission recommendation directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The recommendation will result in an indeterminable increase in state general fund expenditures. It is not clear what method may be used to broadcast and archive the meetings, and any costs related would be dependent upon the chosen methods. According to the management of the Claiborne Conference Center, research is currently being conducted as to the costs and needs of the tenants of the building to decide how to proceed with video streaming capabilities. Additional information may be available in January regarding the potential costs.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Sen. Mike Michot **PROPOSAL#** Michot #02 **REFERRED TO AG on:** _____
SUBJECT: Board of Elementary & Secondary Education **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** November 23, 2009 **RECOMMENDATION #:** 171

RECOMMENDATION: Directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.	Board of Elementary and Secondary Education.	Allow public viewing of meetings.			

MEMBER: Sen. Mike Michot **PROPOSAL #** Michot #02 **REFERRED TO AG on:** _____
SUBJECT: Board of Elementary and Secondary Education **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.	Board of Elementary and Secondary Education.	Allow public viewing of meetings.			

COMMISSION RECOMMENDATION #172

CSG #172

AGCS #46

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The report states that contract employees are generally excluded from employee counts even though some contracts may employ individuals who carry out state government functions because the state does not require that agencies report on the number of contract employees. As of June 10, 2009, state agencies had over 16,000 active contracts totaling over \$7,400,000,000.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: _____

AGCS #46

SUBJECT: Contract Review

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: AMENDED \ ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 172

RECOMMENDATION: Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.	Agencies, departments, legislature.			Too speculative to estimate.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #46

SUBJECT: Layoff avoidance: contracts

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: All agencies should engage in a thorough contract review to find the "least cost method" of providing the service or activity whether through insourcing or outsourcing; further before implementation of any layoffs, reduction in force, or layoff avoidance measures, the agency should make its best efforts to reduce the FY10 cost of contracts by 2 to 10% (for a total contract cost reduction of at least 2%); additionally, no layoff, reduction in force, or layoff avoidance measure should be approved by the Department of State Civil Service unless the agency shows it has reduced the FY10 cost of its contracts by 2% or presents an explanation of why it has not done so.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All agencies should engage in a thorough contract review to find the "least cost method" of providing the service or activity whether through insourcing or outsourcing; further before implementation of any layoffs, reduction in force, or layoff avoidance measures, the agency should make its best efforts to reduce the FY10 cost of contracts by 2 to 10% (for a total contract cost reduction of at least 2%); additionally, no layoff, reduction in force, or layoff avoidance measure should be approved by the Department of State Civil Service unless the agency shows it has reduced the FY10 cost of its contracts by 2% or presents an explanation of why it has not done so.	Agency heads; Department of State Civil Service	To ensure that an agency does not needlessly sacrifice the state's investment in personnel.	Agency contract review	2% of all contracts	

COMMISSION RECOMMENDATION #173

CSG #173

AGCS #33

Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

NARRATIVE:

The Advisory Group on Civil Service and Employee Benefits was advised in its November 9, 2009, meeting regarding separation packages employed in other states in 2008 and 2009. The Advisory Group learned that the primary components of separation packages include lump-sum payments, health insurance coverage, funding or tuition waivers for additional training or education, and increases in retirement benefits. The advisory group additionally heard that the unintended consequences created by these separation packages related to unexpectedly large increases in the unfunded accrued liabilities of retirement systems, and reemployment of retirees resulting in the receipt of two checks from taxpayer-funded sources.

Cindy Rougeou, Executive Director of the Louisiana State Employees' Retirement System, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 9, 2009. She presented information on the early retirement and incentive legislation previously used in Louisiana in 1984 and 1986. Her testimony indicated that the maximum payroll savings provided by the 1984 measure was \$21,000,000, with \$12,500,000 in salary saved by the 1986 law. While the system's records do not indicate the cost of the measure to the system, the actuarial valuation from 1987 provides that the increase in the retirement system's unfunded accrued liability attributable to the 1986 law was \$350,000,000, with the current balance on that liability standing at \$600,000,000.

Shelley Johnson, actuary for the Louisiana State Employees' Retirement System, testified that although the system's actuarial losses are generally amortized over 30 years, the state constitution requires liabilities created by benefit increases to be fully funded within ten years; thus any benefit increase the state might employ as a retirement incentive would have to be fully paid for within 10 years.

At the November 23, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits this proposal was approved for advancement to the Commission on Streamlining Government.

On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS #33

SUBJECT: Separation package: cost effectiveness

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION: AMENDED \ ADOPTED

DATE:

December 1, 2009

RECOMMENDATION #:

173

RECOMMENDATION: Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The expense of any separation package should not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Fifty percent of the annual savings resulting from the severance of employees receiving the separation package should be directed to the retirement system and the group health insurance provider to help fund any additional costs associated with implementation of the separation package. The package should include provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment.	Legislature, agencies, governor's office.	To reduce the state's expenses for employee salaries and associated benefits without creating new liabilities unnecessarily and without allowing the payoff of the liabilities created to extend more than five years.	Statutory changes; appropriations.		

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #33

SUBJECT: Separation package: cost effectiveness

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within ten years of implementation. Additionally, the state should route 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The expense of any separation package should not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within ten years of implementation. Fifty percent of the annual savings resulting from the severance of employees receiving the separation package should be directed to the retirement system and the group health insurance provider to help fund any additional costs associated with implementation of the separation package. The package should include provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment.	Legislature	To reduce the state's expenses for employee salaries and associated benefits without creating new liabilities unnecessarily and without allowing the payoff of the liabilities created to extend more than ten years.	Statutory changes.	If positions vacated are eliminated, annual savings to the state should be 50% of salary plus benefits, less (1) the cost of continued insurance premium payments and (2) additional unfunded accrued liability payments to retirement system.	

COMMISSION RECOMMENDATION #174

CSG #174**AGCS #47**

Each agency head should consider furloughs for employees as a cost-saving measure to help delay or eliminate the possibility of layoffs. Agency heads should give due consideration to the timing of such furloughs, seeking opportunities to maximize the savings while avoiding significant adverse effects on the delivery of services. For example, a regular work day immediately following or preceding a holiday seems a promising choice as many state employees take leave on those days, and many agencies experience reduced demand for services.

NARRATIVE:

At its meeting on November 9, 2009, the Advisory Group on Civil Service and Employee Benefits received testimony regarding procedures for layoffs and layoff avoidance measures including furloughs available to agencies pursuant to civil service rules.

Judy McGimsey, Program Assistant and Training Division Director for the Department of State Civil Service, testified that a furlough is a period of time during which an employee does not go to work and is not paid for that time period. Jean Jones, Deputy Director of the Department of State Civil Service, testified that a furlough is one of the layoff avoidance measures permitted pursuant to civil service rules.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON _____ Civil Service and Employee Benefits _____ PROPOSAL #: _____ AGCS #47 _____

SUBJECT: _____ Layoff avoidance: furloughs _____ DATE ADOPTED BY ADVISORY GROUP: _____ November 23, 2009 _____

COMMISSION ACTION: _____ ADOPTED _____ DATE: _____ December 1, 2009 _____ RECOMMENDATION #: _____ 174 _____

RECOMMENDATION: Each agency head should consider furloughs for employees as a cost-saving measure to help delay or eliminate the possibility of layoffs. Agency heads should give due consideration to the timing of such furloughs, seeking opportunities to maximize the savings while avoiding significant adverse effects on the delivery of services. For example, a regular work day immediately following or preceding a holiday seems a promising choice as many state employees take leave on those days, and many agencies experience reduced demand for services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Employee furloughs should be considered as a cost-saving measure to help delay or eliminate the possibility of layoffs. Agency heads should give due consideration to the timing of such furloughs, seeking opportunities to maximize the savings while avoiding significant adverse effects on the delivery of services.	Agency heads	To reduce the cost of service delivery without eliminating or significantly reducing programs or services.	Agency implementation	Employer savings for each day of furlough is a day's wages for the employees furloughed; benefit to employee of a day off of work. Estimated savings of about \$15 million for each day all executive branch agencies are closed based on salary of about \$4.3 billion in executive branch for about 98,000 employees.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #47

SUBJECT: Layoff avoidance: furloughs

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Each agency head should consider furloughs for employees as a cost-saving measure to help delay or eliminate the possibility of layoffs. Agency heads should give due consideration to the timing of such furloughs, seeking opportunities to maximize the savings while avoiding significant adverse effects on the delivery of services. For example, a regular work day immediately following or preceding a holiday seems a promising choice as many state employees take leave on those days, and many agencies experience reduced demand for services.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Employee furloughs should be considered as a cost-saving measure to help delay or eliminate the possibility of layoffs. Agency heads should give due consideration to the timing of such furloughs, seeking opportunities to maximize the savings while avoiding significant adverse effects on the delivery of services.	Agency heads	To reduce the cost of service delivery without eliminating or significantly reducing programs or services.	Agency implementation	Employer savings for each day of furlough is a day's wages for the employees furloughed; benefit to employee of a day off of work. Estimated savings of about \$15 million for each day all executive branch agencies are closed based on salary of about \$4.3 billion in executive branch for about 98,000 employees.	

COMMISSION RECOMMENDATION #175

CSG #175

AGCS #49

To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

NARRATIVE:

The Advisory Group on Civil Service and Employee Benefits received testimony at its meeting of November 9, 2009, regarding retirement incentives offered to state employees by the state of Louisiana in 1984 and 1986. The history and actuarial and fiscal notes that accompanied these measures indicate that savings realized from a retirement incentive is generated by the reduced costs of staffing, and the savings continue only as long as the positions remain vacated and no new positions are added.

The Advisory Group on Civil Service and Employee Benefits received testimony at its meeting of November 9, 2009, regarding the layoff avoidance measures available to an agency pursuant to civil service rules. Judy McGimsey, Program Assistant and Training Division Director for the Department of State Civil Service, testified relative to a new layoff avoidance measure that civil service put in place in June that allows an agency to use a lump sum payment to entice an employee who is already eligible for retirement to separate from service voluntarily. Under the rule, the agency may pay the retiring employee up to 50% of the net savings gained in the current fiscal year from the vacating of the position. The agency has full control over which employees are offered the retirement incentive. Unlike most statutes providing for a retirement incentive, the civil service rule does not require the agency to eliminate the position vacated nor does it prohibit the retiree from being reemployed. Civil service testified that it does not have the authority to mandate those actions.

To maximize the savings realized by utilization of the retirement incentive layoff avoidance rule, the Advisory Group on Civil Service and Employee Benefits proposed at its meeting on November 23, 2009, that to the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 175**
Streamlining Draft **AGCSEB 49**

Date: December 17, 2009 9:27 AM	Author:
Dept./Agy.: Statewide	Analyst: Evelyn McWilliams
Subject: Layoff Avoidance: Retirement Incentive	

Page 1 of 1

To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

To the extent that agencies abolish positions vacated by employees retiring under Civil Service rule 17.9, the number of positions in the T.O. will be reduced, along with a corresponding reduction in expenses for salaries and related benefits.

Civil Service rule 17.9 states the following:

To avoid or reduce layoffs, an appointing authority may request authority to offer employees who are eligible for regular retirement, an incentive to retire in the form of a one-time, lump-sum payment. The request shall be subject to the following:

- (a) No employee may receive a payment that exceeds 50% of the savings realized by the agency in the fiscal year as a result of that employee's retirement; and
- (b) No such payment shall be made prior to the effective date of the employee's separation.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
- ☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
- ☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS #49

SUBJECT: Layoff avoidance: retirement incentive DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 175

RECOMMENDATION: To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.	Agencies	To maximize the savings realized by utilization of the retirement incentive layoff avoidance rule	Agency implementation	Extends savings gained by the layoff avoidance for as long as the agency's positions remain reduced and salaries are kept at current levels.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #49

SUBJECT: Layoff avoidance: retirement incentive

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.	Agencies	To maximize the savings realized by utilization of the retirement incentive layoff avoidance rule	Agency implementation	Extends savings gained by the layoff avoidance for as long as the agency's positions remain reduced and salaries are kept at current levels.	

COMMISSION RECOMMENDATION #176

CSG #176**AGCS #51**

The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility by paying the full actuarial cost; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in service credit to become eligible, and to require the member to retire within 30 days of such purchase.

NARRATIVE:

Clarence Lymon of the Department of Revenue appeared before the Advisory Group on Civil Service and Employee Benefits at its November 16, 2009, meeting to give testimony regarding tools that his agency would find useful in downsizing the agency if a reduction in force became necessary. Mr. Lymon suggested that allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility by paying the full actuarial cost would allow individual employees to gain retirement eligibility with no cost to the state. Those employees could then leave state service voluntarily and begin drawing a retirement benefit and retain health insurance coverage through the Office of Group Benefits.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS #51

SUBJECT: Purchase of retirement service credit

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 176

RECOMMENDATION: The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility by paying the full actuarial cost; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in service credit to become eligible, and to require the member to retire within 30 days of such purchase.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in service credit to become eligible, and to require the member to retire within 30 days of such purchase.	Legislature	To make more state employees eligible to leave state service voluntarily.	Statutory change	More state employees would be able to leave service by retiring	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #51

SUBJECT: Purchase of retirement service credit

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility by paying the full actuarial cost; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in service credit to become eligible, and to require the member to retire within 30 days of such purchase.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in service credit to become eligible, and to require the member to retire within 30 days of such purchase.	Legislature	To make more state employees eligible to leave state service voluntarily.	Statutory change	More state employees would be able to leave service by retiring	

COMMISSION RECOMMENDATION #177

CSG #177

AGCS #34

The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

NARRATIVE:

The Advisory Group on Civil Service and Employee Benefits received extensive testimony at its August 25, 2009, meeting and additional testimony at subsequent meetings relative to the benefits in the compensation package offered to state employees, including the defined benefit retirement system membership. The unfunded accrued liabilities (UAL) of the state retirement systems for state employees and teachers was nearly \$16,000,000,000 as of June 30, 2009. The state constitution requires roughly \$10,000,000,000 of this debt to be paid in full by the 2029 fiscal year.

At the November 23, 2009, meeting of the Advisory Group on Civil Service and Employee Benefits, Representative Jim Morris introduced this proposal. On December 1, 2009, Representative Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 177**
Streamlining Draft **AGCSEB 34**

Date: December 17, 2009 9:19 AM	Author:
Dept./Agy.: Legislature	Analyst: Evelyn McWilliams
Subject: Redesign of Retirement Plan	

Page 1 of 1

The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The expenditures from continuing to study state retirement systems consistent with this recommendation are anticipated to be minimal. Additional funding may be required to provide for increased per diem for House and Senate members and for printing costs for production of reports in FY11.

The Legislative Fiscal Office cannot anticipate the final determinations made by these committees nor the changes which may be ultimately implemented that are based on those determinations.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #34

SUBJECT: Redesign of retirement plan

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 177

RECOMMENDATION: The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the state retirement systems to provide for decreased employer risk, increased predictability of costs, and greater benefit portability. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties.	House of Representatives and Senate retirement committees; Commission on Streamlining Government	To provide information, education and findings relative to the costs and value of the current defined benefit retirement plan; to investigate whether some change in plan design will better advance the state's employment and compensation goals and policies.	Continued meetings, adoption of findings, report to legislature by the retirement committees; review by the Commission	To determine costs and value of this portion of employee compensation.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #34

SUBJECT: Redesign of retirement plan

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the state retirement systems to provide for decreased employer risk, increased predictability of costs, and greater benefit portability. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties.	House of Representatives and Senate retirement committees; Commission on Streamlining Government	To provide information, education and findings relative to the costs and value of the current defined benefit retirement plan; to investigate whether some change in plan design will better advance the state's employment and compensation goals and policies.	Continued meetings, adoption of findings, report to legislature by the retirement committees; review by the Commission	To determine costs and value of this portion of employee compensation.	

COMMISSION RECOMMENDATION #178

CSG #178**AGCS #37**

The legislature should protect the provisions of Act 497 of the 2009 Regular Session which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances allow.

NARRATIVE:

The Advisory Group on Civil Service and Employee Benefits received extensive testimony at its August 25, 2009, meeting and additional testimony at subsequent meetings relative to the benefits in the compensation package offered to state employees, including the defined benefit retirement system membership. The unfunded accrued liabilities (UAL) of the state retirement systems for state employees and teachers was nearly \$16,000,000,000 as of June 30, 2009. The state constitution requires roughly \$10,000,000,000 of this debt to be paid in full by the 2029 fiscal year.

On November 23, 2009, the Advisory Group on Civil Service and Employee Benefits proposed this recommendation. Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation on December 1, 2009.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON _____ Civil Service and Employee Benefits _____ PROPOSAL #: _____ AGCS # 37 _____

SUBJECT: Employee benefits: Paying the unfunded accrued liability DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 178

RECOMMENDATION: The legislature should protect the provisions of Act 497 of the 2009 Regular Session which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances allow.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should protect the provisions of Act 497 which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances allow.	Legislature	To reduce the states' future payments to the retirement systems by paying unfunded liabilities ahead of schedule.	Legislative action; possible appropriation	Each additional payment on current liabilities reduces all future payments the state will need to make.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 37

SUBJECT: Employee benefits: Paying the unfunded accrued liability

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislature should protect the provisions of Act 497 of the 2009 Regular Session which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances allow.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should protect the provisions of Act 497 which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances allow.	Legislature	To reduce the states' future payments to the retirement systems by paying unfunded liabilities ahead of schedule.	Legislative action; possible appropriation	Each additional payment on current liabilities reduces all future payments the state will need to make.	

COMMISSION RECOMMENDATION #179

CSG #179

AGCS #42

The legislative committees on governmental affairs should meet jointly to study the current civil service rules and state laws governing leave accrual and accumulation and to determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.

NARRATIVE:

The Advisory Group on Civil Service and Employee Benefits received testimony on August 25, 2009, and again on November 4, 2009, regarding leave accrual and short-term employee disability.

The Advisory Group on Civil Service and Employee Benefits adopted this proposal at its November 23, 2009, meeting. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 179**
Streamlining Draft **AGCSEB 42**

Date: December 21, 2009 10:11 AM **Author:**
Dept./Agy.: Legislature **Analyst:** Evelyn McWilliams
Subject: Employee Leave and Accumulation

SEE FISC NOTE GF EX

Page 1 of 1

The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules and state laws governing leave accrual and accumulation and to determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The expenditures resulting from the conduct of this recommended study are anticipated to be minimal. Additional funding may be required to provide for increased per diem for House and Senate members and for printing costs for production of reports.

The Legislative Fiscal Office cannot anticipate the final legislative determinations or fiscal impact of actions taken as a response to those determinations. Recommendations ultimately implemented could impact any state means of finance source.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 42

SUBJECT: Leave accrual and accumulation

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 179

RECOMMENDATION: The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules and state laws governing leave accrual and accumulation and to determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules governing leave accrual and accumulation and determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.	Legislative committees on governmental affairs	To provide information regarding opportunities to provide for reduction in employee costs.	Joint meetings of legislative committees; possible rule changes by Civil Service Commission; possible statutory changes	Determination of whether the current use of retirement and leave for providing income during disability is efficient and cost-effective.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 42

SUBJECT: Leave accrual and accumulation

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules and state laws governing leave accrual and accumulation and to determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules governing leave accrual and accumulation and determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.	Legislative committees on governmental affairs	To provide information regarding opportunities to provide for reduction in employee costs.	Joint meetings of legislative committees; possible rule changes by Civil Service Commission; possible statutory changes	Determination of whether the current use of retirement and leave for providing income during disability is efficient and cost-effective.	

COMMISSION RECOMMENDATION #180

CSG #180

AGCS #45

The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.

NARRATIVE:

Various reports from a number of groups including SECURE and the Louisiana Legislative Auditor's Office indicate that the current prefiling deadline as applied to retirement matters does not provide adequate time for prudent and complete analysis of changes to provisions of law related to public retirement.

To provide better opportunities to avoid or reduce creation of long-term retirement debt, the Advisory Group on Civil Service and Employee Benefits adopted this proposal at its November 23, 2009, meeting. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 180**
Streamlining Draft **AGCSEB 45**

Date: December 17, 2009 3:32 PM	Author:
Dept./Agy.: Legislature	Analyst: Evelyn McWilliams
Subject: Pre-filing of Retirement Legislation	

Page 1 of 1

The legislature should consider adopting a special, earlier pre-filing date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. It is assumed the legislature will be able to accomplish this recommendation without additional resources.

Earlier pre-filing of retirement related legislation should assist the legislative actuary in preparing an analysis of potential impacts of legislation and in explaining those impacts to the legislature.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 45

SUBJECT: Prefiling of retirement legislation DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 180

RECOMMENDATION: The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.	Legislature	To provide adequate time for prudent and complete analysis of changes to provisions of law related to public retirement.	Statutory change; possible constitutional revision; possible rules changes	To provide better opportunities to avoid or reduce creation of long-term retirement debt	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 45

SUBJECT: Prefiling of retirement legislation

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.	Legislature	To provide adequate time for prudent and complete analysis of changes to provisions of law related to public retirement.	Statutory change; possible constitutional revision; possible rules changes	To provide better opportunities to avoid or reduce creation of long-term retirement debt	

COMMISSION RECOMMENDATION #181

CSG #181

AGCS #48

The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies. After the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.

NARRATIVE:

The Advisory Group on Civil Service and Employee Benefits received extensive testimony at its August 25, 2009, meeting and additional testimony at subsequent meetings relative to the benefits in the compensation package offered to state employees.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 181**
Streamlining Draft **AGCSEB 48**

Date: December 17, 2009 8:57 AM	Author:
Dept./Agy.: Legislature	Analyst: Evelyn McWilliams
Subject: Employee Compensation	

Page 1 of 1

The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Any expenditures resulting from conducting the study described in this recommendation are anticipated to be minimal. Additional funding may be required to provide for increased per diem for House and Senate members and for printing costs for production of reports in FY11.

The Legislative Fiscal Office cannot anticipate the final legislative findings or fiscal impact of actions taken as a response to those findings. Recommendations ultimately implemented could impact any state means of finance source.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: _____

AGCS #48

SUBJECT: Employee compensation

DATE ADOPTED BY ADVISORY GROUP: _____

November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 181

RECOMMENDATION: The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.	House and Senate committees on governmental affairs, retirement, appropriations, and finance	To advance the state's employment and retention policies by ensuring compensation packages support such policies	Joint meeting of the committees; presentation of findings in report to full legislature	Reduction of turnover; attraction of a large quantity of highly-qualified applicants for state service	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS #48

SUBJECT: Employee compensation

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.	House and Senate committees on governmental affairs, retirement, appropriations, and finance	To advance the state's employment and retention policies by ensuring compensation packages support such policies	Joint meeting of the committees; presentation of findings in report to full legislature	Reduction of turnover; attraction of a large quantity of highly-qualified applicants for state service	

COMMISSION RECOMMENDATION #182

CSG #182

AGCS #53

The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The report indicated that the state does not have a formal process that requires agencies to justify their staffing levels. The report further stated that although the budget process requires agencies to report on existing employees and justify any new positions, state law does not require that agencies evaluate and justify their current staffing levels.

The auditor's report suggested that one way to address justification of staffing levels is to require that the state conduct strategic workforce planning. Strategic workforce planning is a tool whereby an agency links its staffing levels with the goals and objectives outlined in its strategic plan. The report indicated that this plan would allow the legislature and other decision-makers the ability to evaluate the total number of staff needed to carry out the strategic goals of each agency.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 182**
Streamlining Draft **AGCSEB 53**

Date: December 17, 2009 3:29 PM **Author:**
Dept./Agy.: Statewide **Analyst:** Evelyn McWilliams
Subject: Staffing Levels

NO IMPACT GF EX See Note

Page 1 of 1

The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of agencies evaluating and justifying staffing levels.

The use of strategic workforce planning, if not already employed, should assist agencies in identifying inefficiencies and taking advantage of opportunities for both cost minimization and service delivery improvement.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: _____

AGCS # 53

SUBJECT: Strategic workforce planning for appropriate staffing

DATE ADOPTED BY ADVISORY GROUP: _____

November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 182

RECOMMENDATION: The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.	Legislature, agencies	To provide a formal process that requires agencies to justify staffing levels and to provide the legislature with meaningful information with which it may evaluate the appropriateness of an agency's staffing level and the staffing level of the state as a whole	Legislative changes	Provides the legislature with data sufficient to determine the level of state funding an agency should receive for its staffing needs.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 53

SUBJECT: Strategic workforce planning for appropriate staffing

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.	Legislature, agencies	To provide a formal process that requires agencies to justify staffing levels and to provide the legislature with meaningful information with which it may evaluate the appropriateness of an agency's staffing level and the staffing level of the state as a whole	Legislative changes	Provides the legislature with data sufficient to determine the level of state funding an agency should receive for its staffing needs.	

COMMISSION RECOMMENDATION #183

CSG #183

AGCS #55

All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 183**
Streamlining Draft **AGCSEB 55**

Date: December 21, 2009 10:08 AM	Author:
Dept./Agy.: Statewide	Analyst: Evelyn McWilliams
Subject: Employee Count	

Page 1 of 1

All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Assuming Civil Service maintains its FY10 funding level, the costs associated with implementation and management of this recommendation will be absorbed utilizing the agency's existing resources. Civil Service plans on re-prioritizing its current workload to accommodate reprogramming the data base to integrate entry and exporting the new and current data.

It is anticipated that including this additional information will promote greater scrutiny of impacted executive branch agencies and their resources and is likely to yield information upon which reasonable efficiencies and cost reductions can be based.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
Dual Referral Rules
☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON

Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 55

SUBJECT:

Employee count

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION:

ADOPTED

DATE:

December 1, 2009

RECOMMENDATION #:

183

RECOMMENDATION: All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.	Department of State Civil Service; legislature; agencies	To provide accurate information about the number of people and the hours of work necessary for the state to carry out its governmental functions	Agency reporting	Assures that the state's staffing and the cost for that staffing are accurately reported and analyzed.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 55

SUBJECT: Employee count

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The reporting of these additional groups of employees to Civil Service shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.	Department of State Civil Service; agencies legislature; agencies	To provide accurate information about the number of people and the hours of work necessary for the state to carry out its governmental functions	Agency reporting	Assures that the state's staffing and the cost for that staffing are accurately reported and analyzed.	

COMMISSION RECOMMENDATION #184

CSG #184

AGCS #60

The legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report found that supervisors did not always rate employees as required by Civil Service rules. Specifically, from FY 2007 to FY 2009, the report revealed that supervisors did not rate employees as required 8,962 times. In addition, although the supervisor should enter the reason they did not rate the employee in ISIS, the auditor's office found that 68% of these cases did not have a reason entered.

The report acknowledged that the Department of State Civil Service recently addressed this problem by issuing a rule that makes the supervisor's merit increase contingent upon his or her compliance with all Performance Planning and Review rules, noting that the rule should help ensure that classified supervisors rate their employees as required; however, the rules only apply to classified employees.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 184**
Streamlining Draft **AGCSEB 60**

Date: December 17, 2009 3:31 PM	Author:
Dept./Agy.: Statewide	Analyst: Evelyn McWilliams
Subject: Unclassified Employees	

Page 1 of 1

The legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures for the legislature to make this determination. It is assumed the legislature will be able to accomplish this recommendation without additional resources.

To the extent that unclassified managers are denied pay increases for failing to comply with requirements of completing performance reviews, personnel costs would be less than otherwise experienced. The potential for such decreased costs cannot be projected, but could impact any state means of finance.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: _____

AGCS # 60

SUBJECT: Unclassified employees

DATE ADOPTED BY ADVISORY GROUP: _____

November 23, 2009

COMMISSION ACTION: AMENDED \ ADOPTED

DATE: _____

December 1, 2009

RECOMMENDATION #: _____

184

RECOMMENDATION: The legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.	Legislature; agencies	To provide review of whether an agency is requiring appropriate actions of its managers with regard to review of the agency's employees	Legislative inquiry; agency response	Assures that classified employees who are supervised by unclassified employees receive performance reviews; assures that any unclassified manager who does not review employees but who receives pay increases is identified.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 60

SUBJECT: Unclassified employees

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: The legislature should inquire during the budgeting process about the extent to which an agency's unclassified employees are required to meet the same standards as the classified employees in order to be eligible for any pay increase, whether it is a one-time payment or a permanent increase; in particular, the legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature should inquire during the budgeting process about the extent to which an agency's unclassified employees are required to meet the same standards as the classified employees in order to be eligible for any pay increase, whether it is a one-time payment or a permanent increase; in particular, the legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.	Legislature; agencies	To provide review of whether an agency is requiring appropriate actions of its managers with regard to supervision of the agency's employees	Legislative inquiry; agency response	Assures that classified employees who are supervised by unclassified employees receive performance reviews; assures that any unclassified manager who does not review employees but who receives pay increases is identified.	

COMMISSION RECOMMENDATION #185

CSG #185

AGCS #36

By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies to inform or refresh them regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should schedule and hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rules changes.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies. The report generally indicated that overall effective and efficient use of the civil service rules would be enhanced by assuring that managers and human resources personnel at each agency are fully informed of the tools and flexibility provided for management of employees.

This proposal was adopted by the Advisory Group on Civil Service and Employee Benefits on November 23, 2009. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 185**
Streamlining Draft **AGCSEB 36**

Date: December 21, 2009 10:10 AM	Author:
Dept./Agy.: Civil Service	Analyst: Evelyn McWilliams
Subject: Workforce Management	

Page 1 of 1

By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies to inform or refresh them regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should schedule and hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rule changes.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Assuming Civil Service maintains its FY10 funding level, the costs associated with education, training and discussions related to this recommendation will be absorbed utilizing the agency's existing resources. If the Civil Service Commission revises the pay rules as a result of agency discussion, any costs resulting from these revisions would be absorbed by the affected state agencies.

Familiarity with the rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools should allow departmental management and human resources staff to more appropriately and effectively address actions necessary in times of budgetary crisis. The enhanced ability to address personnel adjustments together with identification of personnel needs may assist in realigning more optimal personnel levels, expenditure efficiencies, and cost savings.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON

Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 36

SUBJECT:

Workforce management

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION:

ADOPTED

DATE: December 1, 2009

RECOMMENDATION #:

185

RECOMMENDATION: By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies to inform or refresh them regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should schedule and hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rules changes.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rules changes.	The Department of State Civil Service; agencies	To provide education and information sufficient for optimal utilization of State Civil Service rules by agencies; to provide for ease in reduction in force should it become necessary.	Agency and department actions	Smooth implementation of reduction or elimination of programs as the agencies continue to streamline their operations; ease of implementation of any reduction in force.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 36

SUBJECT: Workforce management

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies to inform or refresh them regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should schedule and hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rules changes.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rules changes.	The Department of State Civil Service; agencies	To provide education and information sufficient for optimal utilization of State Civil Service rules by agencies; to provide for ease in reduction in force should it become necessary.	Agency and department actions	Smooth implementation of reduction or elimination of programs as the agencies continue to streamline their operations; ease of implementation of any reduction in force.	

COMMISSION RECOMMENDATION #186

CSG #186

AGCS #39

The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.

NARRATIVE:

The Department of State Civil Service and the Division of Administration appeared before the Advisory Group on Civil Service and Employee Benefits on November 16, 2009, to testify regarding the training available for state employees.

Barbara Goodson of the Division of Administration and Karen Puckett, acting director of the Comprehensive Personnel Training Program (CPTP), provided information on that program. Judy McGimsey, Program Assistant and Training Division Director for the Department of State Civil Service, provided information on the training provided by the department.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 39

SUBJECT: Employee training DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 186

RECOMMENDATION: The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.	Department of State Civil Service; Division of Administration	To provide all training needed by state employees in an efficient, non-duplicative manner.	Coordination of efforts of the department and division	Efficiencies only	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 39

SUBJECT: Employee training

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____ DATE: _____

RECOMMENDATION: The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.	Department of State Civil Service; Division of Administration	To provide all training needed by state employees in an efficient, non-duplicative manner.	Coordination of efforts of the department and division	Efficiencies only	

COMMISSION RECOMMENDATION #187

CSG #187

AGCS #40

The Department of State Civil Service shall adopt appropriate national, regional, or state testing or certification programs that may be used in lieu of the civil service exam to determine qualifications for classified positions. The department should give due consideration to ACT WorkKeys as well as to any similar testing or certification programs. The department should balance the positive aspects of each program against any increased costs to the state as an employer or to the prospective employee as an applicant. The department should consider whether an applicant who already has a rating or certification from a public or private national, regional, or state entity should be allowed, on an individual basis, to have that certification substitute for the civil service examination.

NARRATIVE:

Dr. David Sweaney, Regional Manager for the ACT Work Keys, appeared before the Advisory Group on Civil Service and Employee Benefits at its November 16, 2009, meeting. He testified that Work Keys is an ACT product that rates an individual on the level of certain skills he or she possesses, the degree to which those skills enable him or her to perform a certain job, and what additional training is needed to advance the person to skill-level for other jobs.

Jean Jones, Deputy Director of the Department of State Civil Service, appeared before the advisory group. She stated that she is familiar with the Work Keys program, and that the process embodied by the program is typical for any development of an assessment. She informed the group that Louisiana partnered with ACT to be one of the employers that provided information upon which they built that assessment. She further testified that since ACT initially built the assessment, it has gone on to develop the training piece. Jean Jones informed the group that there is a cost to administer each component of the assessment to each person, and for the training. She testified that she believed that the assessments were being used by some agencies, but that the assessments that Civil Service uses cost less.

Jean Jones stated that the Department of State Civil Service contracts with developers similar to ACT to develop employment assessments specific for Louisiana. When the state has the contracts, one of the provisions is that the state owns it, so Louisiana does not have to pay a per-head administration cost, which saves the state dollars.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

December 22, 2009

Commission on Streamlining Government

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 40

SUBJECT: Preemployment testing and certification DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: AMENDED \ ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 187

RECOMMENDATION: The Department of State Civil Service shall adopt appropriate national, regional, or state testing or certification programs that may be used in lieu of the civil service exam to determine qualifications for classified positions. The department should give due consideration to ACT WorkKeys as well as to any similar testing or certification programs. The department should balance the positive aspects of each program against any increased costs to the state as an employer or to the prospective employee as an applicant. The department should consider whether an applicant who already has a rating or certification from a public or private national, regional, or state entity should be allowed, on an individual basis, to have that certification substitute for the civil service examination.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service shall adopt appropriate national, regional, or state testing or certification programs that may be used in lieu of the civil service exam to determine qualifications for classified positions	Department of State Civil Service	To provide efficiency in the employment process.	Rule promulgation	Efficiencies	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 40

SUBJECT: Preemployment testing and certification

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The Department of State Civil Service should investigate the extent to which national, regional, or state testing or certification programs may be used in lieu of the civil service exam to determine qualifications for classified positions. The department should give due consideration to ACT WorkKeys as well as to any similar testing or certification programs. The department should balance the positive aspects of each program against any increased costs to the state as an employer or to the prospective employee as an applicant. The department should consider whether an applicant who already has a rating or certification from a public or private national, regional, or state entity should be allowed, on an individual basis, to have that certification substitute for the civil service examination.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should investigate the extent to which national, regional, or state testing or certification programs may be used in lieu of the civil service exam to determine qualifications for classified positions.	Department of State Civil Service	To provide efficiency in the employment process.	Rule promulgation	Efficiencies	

COMMISSION RECOMMENDATION #188

CSG #188

AGCS #43

The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the Division of Administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report indicated that data shows that the overall average supervisor-to-staff ratio for classified employees in executive branch state agencies is one supervisor to four staff. The analysis also shows that 22% of supervisors in state agencies supervise only one person. However, this analysis is limited by the completeness of Integrated Statewide Information System (ISIS) data. Specifically, most unclassified employees were not included in the analysis. In FY 2009, unclassified employees represented 16% of employees in state agencies (excluding higher education and quasi-state entities). The report noted the difficulty of evaluating supervisor to staff ratios as these ratios depend on factors such as the nature of the occupation and geographic locations. In addition, some occupations and agencies may have accreditation standards that mandate certain ratios. However, the report notes that the 1995 SECURE Report recommends a 1:10 ratio for state agencies in Louisiana but also states that a 1:5 ratio may be necessary for highly technical, policy, or non-repetitive functions.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 188**
Streamlining Draft **AGCSEB 43**

Date: December 21, 2009 10:06 AM	Author:
Dept./Agy.: Civil Service, Legislative Auditor	Analyst: Evelyn McWilliams
Subject: Supervisor Subordinate Ratio	

Page 1 of 1

The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

For the Legislative Auditor and Civil Service, the costs associated with the implementation and management of this recommendation will be absorbed utilizing existing resources. Civil Service's ability to absorb the costs, assumes that it will maintain its FY10 funding level. Both agencies plan on re-prioritizing its' current workload to accomplish the goals in this recommendation.

To the extent that programs are identified with supervisor to staff ratios that are deemed inappropriate possible adjustments may be made which impact service delivery cost or quality. In many cases savings may be identified by expanding the span of control of supervisors. There may also be instances where a more narrow span of control can improve focus on quality of service. The Legislative Fiscal Office cannot anticipate the final findings of such a report or fiscal impact of actions taken as a response to that report. Recommendations ultimately implemented could impact any state means of finance source.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 43

SUBJECT: Supervisor to staff ratios

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION: AMENDED \ ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 188

RECOMMENDATION: The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.	Department of State Civil Service	To promote efficient use of workforce and appropriate supervision of the members of the workforce	Study of agencies by department; report by department to commissions, division, and committee	More efficient use of the state's human resources; "flattening" of the agencies	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 43

SUBJECT: Supervisor to staff ratios

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report monthly to the State Civil Service Commission and the Joint Legislative Committee on the Budget as to the programs examined, the ratio, and the propriety of that ratio. The data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report monthly to the State Civil Service Commission and the Joint Legislative Committee on the Budget as to the programs examined, the ratio, and the propriety of that ratio. The data should be maintained in ISIS or any successor data information system.	Department of State Civil Service	To promote efficient use of workforce and appropriate supervision of the members of the workforce	Study of agencies by department; report by department to commission and committee	More efficient use of the state's human resources; "flattening" of the agencies	

COMMISSION RECOMMENDATION #189

CSG #189

AGCS #44

The State Civil Service Commission should not consider an employee whose annual performance review shows he or she "meets expectations" for any pay increase which purports to be based on meritorious service or performance.

NARRATIVE:

The State Civil Service Commission adopted new pay increase rules on December 9, 2009. The rules provide that an employee who receives a rating of "meets expectations" will receive a 3% salary increase, an employee rating "exceeds expectations" a 4% increase, and an employee who is "outstanding" will receive a 6% increase. This process had not been completed when the Commission on Streamlining Government held its final meeting before issuance of this report.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 44

SUBJECT: Pay adjustment DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: AMENDED \ ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 189

RECOMMENDATION: The State Civil Service Commission should not consider an employee whose annual performance review shows he or she "meets expectations" for any pay increase which purports to be based on meritorious service or performance.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The State Civil Service Commission should not consider an employee whose annual performance review shows he or she "meets expectations" for any pay increase which purports to be based on meritorious service or performance.	State Civil Service Commission	To ensure that performance-based pay raises are granted only to those whose performance goes beyond the minimum effort and competence expected.	Rule change	Accurate labeling of compensation increases given to state employees	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 44

SUBJECT: Pay adjustment

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: DATE:

RECOMMENDATION: The State Civil Service Commission should consider carefully whether an employee whose annual performance review shows he or she "meets expectations" should be eligible for any pay increase which purports to be based on meritorious service or performance.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The State Civil Service Commission should consider carefully whether an employee whose annual performance review shows he or she "meets expectations" should be eligible for any pay increase which purports to be based on meritorious service or performance.	State Civil Service Commission	To ensure that performance-based pay raises are granted only to those whose performance goes beyond the minimum effort and competence expected.	Rule change	Accurate labeling of compensation increases given to state employees	

COMMISSION RECOMMENDATION #190

CSG #190**AGCS #52**

The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies. She testified that the findings in the report indicate that the annual cost associated with turnover could be nearly \$200,000,000 for employees whose training takes 12 months.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: _____

AGCS # 52

SUBJECT: Turnover cost assessment

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 190

RECOMMENDATION: The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.	Department of State Civil Service	To provide meaningful information to the legislature regarding the state's investment in its workforce and opportunities to increase return on that investment by maximizing retention of good employees	Agency action	Based on a costing model recommended by Louisiana State University the department estimates the Fiscal Year 2007 costs for a 17% turnover rate were between \$48 million (assuming all employees require only 3 months of training) and \$193 million (assuming 12 months of training). These costs would be reduced if the turnover rate were decreased.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: ACCS # 52

SUBJECT: Turnover cost assessment

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.	Department of State Civil Service	To provide meaningful information to the legislature regarding the state's investment in its workforce and opportunities to increase return on that investment by maximizing retention of good employees	Agency action	Based on a costing model recommended by Louisiana State University the department estimates the Fiscal Year 2007 costs for a 17% turnover rate were between \$48 million (assuming all employees require only 3 months of training) and \$193 million (assuming 12 months of training). These costs would be reduced if the turnover rate were decreased.	

COMMISSION RECOMMENDATION #191

CSG #191

AGCS #54

The legislature and the Department of State Civil Service should continue efforts to enlarge the pay bands, to provide opportunities for flattening agencies' organizational charts, to encourage use of pay-for-performance initiatives, and to widen the utilization of the dual career ladder. Additionally, the department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities in a manner that is objective and consistent, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the State Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report indicates the state should continue to develop broad-banding and pay-for-performance initiatives to improve performance management. The report further indicates that pay-for-performance is another initiative that gives agencies the ability to link employees compensation to actual performance. The report advises that to help ensure pay-for-performance is successful, there are several challenges that the state should address. These challenges include increasing agency oversight to help ensure the Performance Planning and Review (PPR) process is consistent, objective, and based on measurable expectations; ensuring that all supervisors, including unclassified supervisors, are trained on the PPR process and rate employees; and having adequate funding to fund the variable performance adjustments.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 54

SUBJECT: Continued efforts for modernizing Civil Service DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 191

RECOMMENDATION: The legislature and the Department of State Civil Service should continue efforts to enlarge the pay bands, to provide opportunities for flattening agencies' organizational charts, to encourage use of pay-for-performance initiatives, and to widen the utilization of the dual career ladder. Additionally, the department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities in a manner that is objective and consistent, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the State Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature and the Department of State Civil Service should continue efforts to enlarge pay bands, to encourage use of pay-for-performance, and to widen the utilization of the dual career ladder. The department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities objectively and consistently, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.	Legislature; Department of State Civil Service; State Civil Service Commission	To ensure consistent, objective implementation of the performance evaluation process and the awarding of compensation for that performance	Agency action; possible rule change; possible legislative changes	Assures that the pay-for-performance system functions well for the state, the agency employers, and all employees	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 54

SUBJECT: Continued efforts for modernizing Civil Service

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The legislature and the Department of State Civil Service should continue efforts to enlarge the pay bands, to provide opportunities for flattening agencies' organizational charts, to encourage use of pay-for-performance initiatives, and to widen the utilization of the dual career ladder. Additionally, the department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities in a manner that is objective and consistent, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the State Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The legislature and the Department of State Civil Service should continue efforts to enlarge pay bands, to encourage use of pay-for-performance, and to widen the utilization of the dual career ladder. The department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities objectively and consistently, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.	Legislature; Department of State Civil Service; State Civil Service Commission	To ensure consistent, objective implementation of the performance evaluation process and the awarding of compensation for that performance	Agency action; possible rule change; possible legislative changes	Assures that the pay-for-performance system functions well for the state, the agency employers, and all employees	

COMMISSION RECOMMENDATION #192

CSG #192

AGCS #56

As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report recommends that the Department of State Civil Service encourage the use of exit interviews and the recording of data in the Integrated State Information System (ISIS), that the turnover reasons in ISIS be revised to make the data more meaningful and valuable, and that all such data should be included in reports.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits **PROPOSAL #:** AGCS # 56
SUBJECT: Exit interviews **DATE ADOPTED BY ADVISORY GROUP:** November 23, 2009
COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** December 1, 2009 **RECOMMENDATION #:** 192

RECOMMENDATION: As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separations.	Department of State Civil Service; Division of Administration; Joint Legislative Committee on the Budget	To provide information related to turnover rates and reasons for separation.	Changes in agency procedure; reports to commissions to legislature	To reduce turnover.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 56

SUBJECT: Exit interviews

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission and to the Joint Legislative Committee on the Budget regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission and to the Joint Legislative Committee on the Budget regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separations.	Department of State Civil Service; Division of Administration; Joint Legislative Committee on the Budget	To provide information related to turnover rates and reasons for separation.	Changes in agency procedure; reports to commission and legislature	To reduce turnover.	

COMMISSION RECOMMENDATION #193

CSG #193**AGCS #57**

All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report recommends that all agencies should be encouraged to use longer probationary periods.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits PROPOSAL #: AGCS # 57

SUBJECT: Probationary employment DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: ADOPTED DATE: December 1, 2009 RECOMMENDATION #: 193

RECOMMENDATION: All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.	Department of State Civil Service; agencies	To assure that employees who are made permanent are persons who fit the agency's needs and who can further the agency's goals and mission	Agency action	Provides agencies a longer time period to evaluate how well a new employee fits within the agency	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 57

SUBJECT: Probationary employment

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.	Department of State Civil Service; agencies	To assure that employees who are made permanent are persons who fit the agency's needs and who can further the agency's goals and mission	Agency action	Provides agencies a longer time period to evaluate how well a new employee fits within the agency	

COMMISSION RECOMMENDATION #194

CSG #194

AGCS #59

The Department of State Civil Service should encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and non-monetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for-performance options.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report recommends that the Department of State Civil Service should continue to encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and non-monetary rewards for high performance.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: _____

AGCS # 59

SUBJECT: Improved use of pay-for-performance

DATE ADOPTED BY ADVISORY GROUP: _____

November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: _____

December 1, 2009

RECOMMENDATION #: _____

194

RECOMMENDATION: The Department of State Civil Service should encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and nonmonetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for-performance options.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and nonmonetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for-performance options.	Department of State Civil Service; agencies	To provide optimal utilization of the various forms of monetary and nonmonetary rewards available for agencies to recognize employees' performance.	Department assessment; agency actions	Assures that all choices for employee reward or recognition are considered by the employee's agency.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 59

SUBJECT: Improved use of pay-for-performance

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The Department of State Civil Service should encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and nonmonetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for-performance options.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and nonmonetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for-performance options.	Department of State Civil Service; agencies	To provide optimal utilization of the various forms of monetary and nonmonetary rewards available for agencies to recognize employees' performance.	Department assessment; agency actions	Assures that all choices for employee reward or recognition are considered by the employee's agency.	

COMMISSION RECOMMENDATION #195

CSG #195

AGCS #41

The Deferred Retirement Option Plans of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System should be closed effective January 1, 2015. Any state employee whose membership in the Louisiana State Employees' Retirement System is governed by Act 75 of the 2005 Regular Session should not be permitted to participate in the plan. Any person who enters the plan applicable to his or her system on or after January 1, 2013, should sever employment upon completion of participation in the plan. Any person who is eligible to enter the plan on or before January 1, 2015, and who has not submitted an application to enter the plan on or before January 1, 2015, should be prohibited from participation in the plan. The retirement systems should provide for early application to enter the plan for those members whose eligibility begins near the termination date of the plan but who may wish to begin participation on a date after January 1, 2015, but in no case shall such participation extend beyond the legally permissible time limitations.

NARRATIVE:

Charles Hall, actuary, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on October 27, 2009, to provide information relative to the retirement option known as the Deferred Retirement Option Plan or DROP. He testified that the plan is cost-neutral for the three state retirement systems, namely the Louisiana State Employees' Retirement System, the Louisiana School Employees' Retirement System, and the Teachers' Retirement System of Louisiana. He informed the group that cost-neutral does not mean that on an individual basis that the choice to participate in DROP is cost-neutral; rather, this means that for the participants at large, there would be some people that would receive a larger benefit than they would have had there not been a DROP program, but there are also going to be people who would go into DROP that would receive a benefit that would be less than what they would have received had they not gone into DROP.

In order to allow individuals to plan for retirement and agencies to plan for succession with more certainty, the Advisory Group on Civil Service and Employee Benefits adopted this proposal at its November 23, 2009, meeting. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #:

AGCS # 41

SUBJECT: Deferred Retirement Option Plan

DATE ADOPTED BY ADVISORY GROUP:

November 23, 2009

COMMISSION ACTION: ADOPTED

DATE: December 1, 2009

RECOMMENDATION #: 195

RECOMMENDATION: The Deferred Retirement Option Plans of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System should be closed effective January 1, 2015. Any state employee whose membership in the Louisiana State Employees' Retirement System is governed by Act 75 of the 2005 Regular Session should not be permitted to participate in the plan. Any person who enters the plan applicable to his or her system on or after January 1, 2013, should sever employment upon completion of participation in the plan. Any person who is eligible to enter the plan on or before January 1, 2015, and who has not submitted an application to enter the plan on or before January 1, 2015, should be prohibited from participation in the plan. The retirement systems should provide for early application to enter the plan for those members whose eligibility begins near the termination date of the plan but who may wish to begin participation on a date after January 1, 2015, but in no case shall such participation extend beyond the legally permissible time limitations.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Deferred Retirement Option Plans of the state retirement systems should be closed effective January 1, 2015. Any state employee whose membership in the Louisiana State Employees' Retirement System is governed by Act 75 of the 2005 Regular Session should not be permitted to participate in the plan. Any person who enters the plan applicable to his or her system on or after January 1, 2013, should sever employment upon completion of participation in the plan. Any person who is eligible to enter the plan on or before January 1, 2015, and who has not submitted an application to enter the plan on or before January 1, 2015, should be prohibited from participation in the plan. The retirement systems should provide for early application to enter the plan for those members whose eligibility begins near the termination date of the plan by who may wish to begin participation on a date after January 1, 2015, but in no case shall such participation extend beyond the legally permissible time limitations.	Legislature; retirement systems	To provide agencies with better data for agency succession and strategic workforce planning.	Statutory change; possible rules changes	Allows individuals to plan for retirement and agencies to plan for succession with more certainty; may have a slight cost for years from 2013 to 2018, but otherwise should be cost-neutral.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 41

SUBJECT: Deferred Retirement Option Plan

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: The Deferred Retirement Option Plans of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System should be closed effective January 1, 2015. Any state employee whose membership in the Louisiana State Employees' Retirement System is governed by Act 75 of the 2005 Regular Session should not be permitted to participate in the plan. Any person who enters the plan applicable to his or her system on or after January 1, 2013, should sever employment upon completion of participation in the plan. Any person who is eligible to enter the plan on or before January 1, 2015, and who has not submitted an application to enter the plan on or before January 1, 2015, should be prohibited from participation in the plan. The retirement systems should provide for early application to enter the plan for those members whose eligibility begins near the termination date of the plan but who may wish to begin participation on a date after January 1, 2015, but in no case shall such participation extend beyond the legally permissible time limitations.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Deferred Retirement Option Plans of the state retirement systems should be closed effective January 1, 2015. Any state employee whose membership in the Louisiana State Employees' Retirement System is governed by Act 75 of the 2005 Regular Session should not be permitted to participate in the plan. Any person who enters the plan applicable to his or her system on or after January 1, 2013, should sever employment upon completion of participation in the plan. Any person who is eligible to enter the plan on or before January 1, 2015, and who has not submitted an application to enter the plan on or before January 1, 2015, should be prohibited from participation in the plan. The retirement systems should provide for early application to enter the plan for those members whose eligibility begins near the termination date of the plan but who may wish to begin participation on a date after January 1, 2015, but in no case shall such participation extend beyond the legally permissible time limitations.	Legislature; retirement systems	To provide agencies with better data for agency succession and strategic workforce planning.	Statutory change; possible rules changes	Allows individuals to plan for retirement and agencies to plan for succession with more certainty; may have a slight cost for years from 2013 to 2018, but otherwise should be cost-neutral.	

COMMISSION RECOMMENDATION #196

CSG #196

AGCS #58

Each manager responsible for engaging in the Performance Planning and Review process should use the PPR forms to track each employee's productivity and level of performance by using objective information to measure actual performance against expectations.

NARRATIVE:

Karen Leblanc, Senior Auditor, Louisiana Legislative Auditor's Office, appeared before the Advisory Group on Civil Service and Employee Benefits at its meeting on November 16, 2009. She presented the performance audit issued by the Auditor's Office on Civil Service and staffing across state agencies.

The auditor's report states that tracking productivity is a performance management function which can be enhanced by the Performance Planning and Review (PPR) process if done correctly. The report suggests that supervisors should use the PPR forms to track how well each employee performs by using objective information to measure actual performance against expectations.

At its November 23, 2009, meeting the Advisory Group on Civil Service and Employee Benefits adopted this proposal. On December 1, 2009, Representative Jim Morris presented the proposal to the Commission on Streamlining Government, which adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government

11/23/09 - Introduced and adopted by the Advisory Group on Civil Service and Employee Benefits

DOCUMENTS:

See attachments

ADVISORY GROUP ON _____ Civil Service and Employee Benefits _____ PROPOSAL #: _____ AGCS # 58 _____

SUBJECT: _____ Tracking productivity _____ DATE ADOPTED BY ADVISORY GROUP: _____ November 23, 2009 _____

COMMISSION ACTION: _____ ADOPTED _____ DATE: _____ December 1, 2009 _____ RECOMMENDATION #: _____ 196 _____

RECOMMENDATION: Each manager responsible for engaging in the Performance Planning and Review process should use the PPR forms to track each employee's productivity and level of performance by using objective information to measure actual performance against expectations.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each manager responsible for engaging in the Performance Planning and Review process should use the PPR forms to track each employee's productivity and level of performance by using objective information to measure actual performance against expectations.	Agencies	To enhance the usefulness of the Performance Planning and Review process; to provide each employee with clear goals for achieving desired performance	Agency implementation	Allows the employee's productivity to be documented and tracked in a timely, appropriate manner.	

ADVISORY GROUP ON Civil Service and Employee Benefits

PROPOSAL #: AGCS # 58

SUBJECT: Tracking productivity

DATE ADOPTED BY ADVISORY GROUP: November 23, 2009

COMMISSION ACTION:

DATE:

RECOMMENDATION: Each manager responsible for engaging in the Performance Planning and Review (PPR) process should use the PPR forms to track each employee's productivity and level of performance by using objective information to measure actual performance against expectations.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each manager responsible for engaging in the Performance Planning and Review (PPR) process should use the PPR forms to track each employee's productivity and level of performance by using objective information to measure actual performance against expectations.	Agencies	To enhance the usefulness of the Performance Planning and Review process, to provide each employee with clear goals for achieving desired performance	Agency implementation	Allows the employee's productivity to be documented and tracked in a timely, appropriate manner.	

COMMISSION RECOMMENDATION #197

CSG #197

Donahue #06

The Department of State Civil Service should lower the number of classifications to 800 by December 31, 2010, and further lower the number to 600 by December 31, 2011.

NARRATIVE:

Senator Jack Donahue presented this proposal to the Commission on Streamlining Government at its December 1, 2009, meeting, and the Commission adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments

MEMBER: Senator Jack Donahue **PROPOSAL #** Donahue #06 **REFERRED TO AG on:** _____
SUBJECT: _____ **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** December 1, 2009 **RECOMMENDATION #:** 197

RECOMMENDATION: The Department of State Civil Service should lower the number of classifications to 800 by December 31, 2010, and further lower the number to 600 by December 31, 2011.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should lower the number of classifications to 800 by December 31, 2010, and further lower the number to 600 by December 31, 2011.	Department of State Civil Service	To reduce the number of classifications utilized by state agencies	Department action	Efficiencies; allow pay raises without promotion to supervisor	

MEMBER: Senator Jack Donahue **PROPOSAL #** Donahue #06 **REFERRED TO AG on:** _____
SUBJECT: Civil Service classifications **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: AMENDED \ ADOPTED **DATE:** December 1, 2009

RECOMMENDATION: The Department of State Civil Service should lower the number of classifications to 800 by December 31, 2010, and further lower the number to 600 by December 31, 2011.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of State Civil Service should lower the number of classifications to 800 by December 31, 2010, and further lower the number to 600 by December 31, 2011.	Department of State Civil Service	To reduce the number of classifications utilized by state agencies	Department action	Efficiencies; allow pay raises without promotion to supervisor	

COMMISSION RECOMMENDATION #198

CSG #198

Donahue #07

Each state agency should consider using furloughs to keep costs down. Each agency should furlough every employee one day each quarter of the 2010-2011 fiscal year. Determination of timing of furloughs is left to the agency; however, where possible the agency should consider furloughing all employees in a particular location on the same day to capture additional savings from such things as non-use of utilities.

NARRATIVE:

Senator Jack Donahue presented this proposal to the Commission on Streamlining Government at its December 1, 2009, meeting, and the Commission adopted the recommendation.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments

MEMBER: Senator Jack Donahue **PROPOSAL #** Donahue #07 **REFERRED TO AG on:** _____
SUBJECT: State Employee furloughs **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** December 1, 2009 **RECOMMENDATION #:** 198

RECOMMENDATION: Each agency should consider using furloughs to keep costs down. Each agency should furlough every employee one day each quarter of the 2010-2011 fiscal year. Determination of timing of furloughs is left to the agency; however, where possible the agency should consider furloughing all employees in a particular location on the same day to capture additional savings from such things as non-use of utilities.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each agency should consider using furloughs to keep costs down. Each agency should furlough every employee one day each quarter of the 2010-2011 fiscal year. Determination of timing of furloughs is left to the agency; however, where possible the agency should consider furloughing all employees in a particular location on the same day to capture additional savings from such things as non-use of utilities.	State agencies	To provide cost savings	Agency action	Each day of furlough saves the agency one day's pay for the employees furloughed. Total cost of one day's wages for all executive branch employees, including higher ed, is estimated at \$16.7 million.	

MEMBER: Senator Jack Donahue **PROPOSAL #** Donahue #07 **REFERRED TO AG on:** _____
SUBJECT: State Employee furloughs **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** December 1, 2009

RECOMMENDATION: Each state agency should consider using furloughs to keep costs down. Each agency should furlough every employee one day each quarter of the 2010-2011 fiscal year. Determination of timing of furloughs is left to the agency; however, where possible the agency should consider furloughing all employees in a particular location on the same day to capture additional savings from such things as non-use of utilities.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Each state agency should consider using furloughs to keep costs down. Each agency should furlough every employee one day each quarter of the 2010-2011 fiscal year. Determination of timing of furloughs is left to the agency; however, where possible the agency should consider furloughing all employees in a particular location on the same day to capture additional savings from such things as non-use of utilities.	State agencies	To provide cost savings	Agency action	Each day of furlough saves the agency one day's pay for the employees furloughed. Total cost of one day's wages for all executive branch employees, including higher ed, is estimated at \$16.7 million.	

COMMISSION RECOMMENDATION #199

CSG #199

Michot #03

The Department of Health and Hospitals should study the use and feasibility of telemedicine.

NARRATIVE:

At the December 1, 2009, meeting of the Streamlining Commission, Senator Mike Michot had a recommendation that the Department of Health and Hospitals should study the use and feasibility of telemonitoring in health care.

Telemonitoring is a medical practice that involves remotely monitoring patients who are not at the same location as the health care provider. Telemedicine is a rapidly developing application of clinical medicine where medical information is transferred through the phone or the Internet and sometimes other networks for the purpose of consulting, and sometimes remote medical procedures or examinations. According to Living Independently Group, telemonitoring can help professional and family care givers to remotely deliver care and assess patient need. Telemonitoring is also used in telemedicine through the use of video conferencing and structured automated patient counseling that allows for live or programmed interviews with patients to diagnose conditions, monitor compliance, and guide and reinforce behavioral changes. The Department of Health and Hospitals should also ask for assistance from the Louisiana State University Health System when studying the use and feasibility of telemedicine.

The Commission amended the recommendation changing "telemonitoring in health care" to "telemedicine". The rules were suspended and there were no objections to the amendment and adoption of this recommendation.

HISTORY:

12/01/09 - Amended and adopted by the Commission on Streamlining Government (rules suspended)

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 199**
Streamlining Draft **AGMICHOT 3**

Date: December 18, 2009 2:30 PM **Author:**
Dept./Agy.: Department of Health and Hospitals **Analyst:** Shawn Hotstream
Subject: telemedicine

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Recommendation requires the Department of Health and Hospitals to study the use and feasibility of telemedicine.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5-YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Recommendation simply requires the department to study the use and feasibility of telemedicine. Information received from the department indicates that Medicaid currently reimburses for telemedicine consults. Providers essentially flag a telemedicine visit on a claim to identify this specific type of visit. In Louisiana, reimbursements are made to the consulting provider (termed the "spoke"), and not the originating provider (termed the "hub"). The reimbursement is equal to the reimbursement for a traditional office visit. On an annual basis, the total payments from Louisiana Medicaid that are identified as telemedicine consults are minimal. It is likely that overall payments are higher than recorded as a result of providers simply not checking the modifier on the claim form before submittal.

Act 850 of the 2008 Regular Legislative Session officially defines telemedicine as "the practice of health care delivery, diagnosis, consultation, treatment, and transfer of medical data using interactive telecommunication technology that enables a health care practitioner and a patient at two locations separated by distance to interact via two-way video and audio transmissions simultaneously. Neither a telephone conversation nor an electronic mail message between a health care practitioner and patient, or a true consultation as defined by the board pursuant to the Administrative Procedure Act, constitutes telemedicine".

Note: In addition to increasing access to health care services, telemedicine has resulted in savings within the Department of Corrections. The LSU HCSD currently utilizes this technology with offender patients of the Department of Corrections. The DOC has realized significant savings as a result of reduced transportation and salary costs. According to the department, utilization of telemedicine has resulting in approximately \$500,000 in annual savings. As an illustrative example of transportation costs, transporting two offender patients from Angola to E.K. Long is estimated to cost the DOC in excess of \$400 per day on average.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

☐ 6.8(G) >= \$500,000 Tax or Fee Increase
or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Senator Mike Michot **PROPOSAL#** Michot #03 **REFERRED TO AG on:** _____

SUBJECT: Telemedicine - Health Care **DATE REPORTED BY AG:** **REPORT:** _____

COMMISSION ACTION: AMENDED / ADOPTED **DATE:** December 1, 2009 **RECOMMENDATION #:** 199

RECOMMENDATION: The Department of Health and Hospitals should study the use and feasibility of telemedicine.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
The Department of Health and Hospitals should study the use and feasibility of telemedicine.	Department of Health and Hospitals.	Assists professional and family caregivers to remotely deliver care and assess patient need.			

MEMBER: Sen. Mike Michot **PROPOSAL#** Michot #03 **REFERRED TO AG on:** _____
SUBJECT: Telemonitoring - Health Care **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Request the Department of Health and Hospitals to study the use and feasibility of telemonitoring in health care.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Request the Department of Health and Hospitals to study the use and feasibility of telemonitoring in health care.	Department of Health and Hospitals.	Assists professional and family caregivers to remotely deliver care and assess patient need.			

COMMISSION RECOMMENDATION #200

CSG #200

Martin #28

Department of Education reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to “net change” documents instead of redoing the entire report yearly.

NARRATIVE:

At the December 1, 2009, meeting of the Commission on Streamlining Government, Mr. Roy Martin presented this recommendation and briefly commented on the paperwork required for the Pupil Progression and Advancement Plans and School Improvement Plans. Public comment was received on the issue. Following discussion, Mr. Martin moved to adopt the recommendation. The recommendation was adopted.

HISTORY:

12/01/09 - Received and adopted by the Commission on Streamlining Government (rules suspended)
12/01/09 - Introduced at the Commission on Streamlining Government

DOCUMENTS:

See attachments



LEGISLATIVE FISCAL OFFICE Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 200**
Streamlining Draft **AGMARTIN 28**

Date: December 15, 2009 3:09 PM	Author:
Dept./Agy.: Department of Education	Analyst: Mary Kathryn Drago
Subject: School Planning	

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The Streamlining Commission recommends to reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to "net change" documents instead of redoing the entire report yearly.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Local fund expenditures may decrease as a result of the recommendation. School districts would be able to save time by conducting a shorter needs assessment and only completing the necessary sections of the reports. According to the Department of Education, the current needs assessment process for the School Improvement Plan is about a 30 to 60 day process. The assessment could be shortened to a week-long process that would involve a web-based submission of data. The districts will likely have a significant savings in time; however, any estimate on how this would translate into dollar savings cannot be determined.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- ☐ 13.5.1 >= \$500,000 Annual Fiscal Cost
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

- ☐ 6.8(F) >= \$500,000 Annual Fiscal Cost
☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

H. Gordon Monk
Legislative Fiscal Officer

MEMBER: Roy O. Martin **PROPOSAL #** Martin #28 **REFERRED TO AG on:** _____
SUBJECT: School planning **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: ADOPTED **DATE:** December 1, 2009 **RECOMMENDATION #:** 200

RECOMMENDATION: Department of Education reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to "net change" documents instead of redoing the entire report yearly.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Department of Education reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to "net change" documents instead of redoing the entire report yearly.	Department of Education	Eliminate costly staff activity.	Department action		Done

MEMBER: Roy O. Martin **PROPOSAL #** Martin #28 **REFERRED TO AG on:** _____
SUBJECT: School planning **DATE REPORTED BY AG:** _____ **REPORT:** _____
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: Reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to “net change” documents instead of redoing the entire report yearly.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to “net change” documents instead of redoing the entire report yearly.	Department of Education	Eliminate costly staff activity.	Department action		Done